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TS-Optics Corporation

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

TS-OPTICS CORPORATION,

Plaintiff,

v.

MICROSOFT CORPORATION,

Defendant.

Case No. 8:24-cv-01974-DOC-DFM

**FIRST AMENDED COMPLAINT
FOR PATENT INFRINGEMENT**

JURY TRIAL DEMANDED

RUSS, AUGUST & KABAT

1 This is an action for patent infringement arising under the Patent Laws of the
2 United States of America, 35 U.S.C. § 1 *et seq.*, in which Plaintiff TS-Optics
3 Corporation (“TS-Optics” or “Plaintiff”) makes the following allegations against
4 Defendant Microsoft Corporation (“Defendant” or “Microsoft”):

5 **INTRODUCTION AND PARTIES**

6 1. This complaint arises from Defendant’s unlawful infringement of the
7 following United States patents owned by TS-Optics: U.S. Patent No. 7,266,055
8 (“’055 patent”) and U.S. Patent No. 9,612,709 (“’709 patent”) (collectively, the
9 “Asserted Patents”). TS-Optics owns all rights, title, and interest in both of the
10 Asserted Patents to file this case.

11 2. TS-Optics is a company organized and existing under the laws of the
12 state of South Korea, having its place of business at 126-ho, 1st Basement Level,
13 Seoun-ro 13, Seocho-gu, Seoul, Republic of Korea.

14 3. Defendant Microsoft Corporation is a Washington corporation with
15 business offices in California, including in this district. Microsoft Corporation may
16 be served with process through its registered agent, CSC – Lawyers Incorporating
17 Service, at 2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833.

18 **JURISDICTION AND VENUE**

19 4. This action arises under the patent laws of the United States, Title 35 of
20 the United States Code. This Court has original subject matter jurisdiction pursuant
21 to 28 U.S.C. §§ 1331 and 1338(a).

22 5. This Court has personal jurisdiction over Defendant in this action
23 because Defendant has committed acts within this District giving rise to this action
24 and has established minimum contacts with this forum such that the exercise of
25 jurisdiction over Defendant would not offend traditional notions of fair play and
26 substantial justice. Defendant, directly and through subsidiaries or intermediaries,
27 has committed and continue to commit acts of infringement in this District by,
28 among other things, making, using, offering to sell, selling, and/or importing

1 products that infringe the asserted patents, and inducing others to do the same.

2 6. Venue is proper in this District under 28 U.S.C. § 1400(b). Defendant
3 has transacted business in this District and has committed acts of direct and indirect
4 infringement in this District by, among other things, making, using, offering to sell,
5 selling, and importing products that infringe the asserted patents. Defendant has a
6 regular and established place of business in the District. These include Microsoft
7 offices, for example Microsoft's offices at 13031 W. Jefferson Blvd., Ste. 200, Playa
8 Vista, California 90094; and 3 Park Plaza, Suite 1600, Irvine, California 92614.

9 **COUNT I**

10 **INFRINGEMENT OF U.S. PATENT NO. 7,266,055**

11 7. TS-Optics realleges and incorporates by reference the foregoing
12 paragraphs as if fully set forth herein.

13 8. TS-Optics owns by assignment all rights, title, and interest, including
14 the right to recover damages for past, present, and future infringement, in U.S. Patent
15 No. 7,266,055, titled "Optical pickup actuator and optical disk drive using the same
16 and method." The '055 patent was duly and legally issued by the United States Patent
17 and Trademark Office on September 4, 2007. A true and correct copy of the '055
18 patent is attached as Exhibit 1.

19 9. Defendant has been aware of the '055 patent since at least July 2011.
20 On information and belief, in July 2011, Defendant and Samsung Electronics entered
21 into a cross-license agreement that included the '055 patent. This agreement
22 terminated in approximately July 2018. In addition, on November 17, 2022, TS-
23 Optics sent Defendant a letter notifying it of their infringement as well as offering
24 to discuss a license.

25 10. On information and belief, Defendant makes, uses, offers for sale, sells,
26 and/or imports into the United States certain products that directly infringe, literally
27 and/or under the doctrine of equivalents, one or more claims of the '055 patent,
28 including, without limitation, Microsoft's XBOX One, XBOX One S, XBOX One

1 X, and XBOX Series X, and all versions and variations thereof since the issuance of
2 the '055 patent (“’055 Accused Products”).

3 11. Defendant also knowingly and intentionally induces infringement of
4 one or more claims of the '055 patent in violation of 35 U.S.C. §271(b). Defendant
5 has had knowledge of the '055 patent and the infringing nature of the '055 Accused
6 Products at least July 2011 and no later than the date this Complaint was filed.
7 Despite knowledge of the '055 patent, Defendant continues to actively encourage
8 and instruct its customers and end users (for example, through user manuals and
9 online instruction materials on its website) to use the '055 Accused Products in ways
10 that directly infringe the '055 patent. Defendant does so knowing and intending that
11 these customers and end users will commit these infringing acts. Defendant also
12 continues to make, use, sell, offer for sale, and/or import the '055 Accused Products,
13 despite their knowledge of the '055 patent, thereby specifically intending for and
14 inducing its customers to infringe the '055 patent through their customers' normal
15 and customary use of the '055 Accused Products.

16 12. The '055 Accused Products satisfy all claim limitations of one or more
17 claims of the '055 patent. A claim chart comparing claim 1 of the '055 patent to a
18 representative '055 Accused Product is attached as Exhibit 2.

19 13. By making, using, offering for sale, selling and/or importing into the
20 United States the '055 Accused Products, Defendant has injured TS-Optics and is
21 liable for infringement of the '055 patent pursuant to 35 U.S.C. § 271.

22 14. Defendant has and continues to infringe the '055 patent, acting with an
23 objectively high likelihood that its actions constitute infringement of the '055 patent.
24 Defendant has known or should have known of this risk since at least July 2011.
25 Accordingly, Defendant's infringement of the '055 patent has been and continues to
26 be willful.

27 15. As a result of Defendant's infringement of the '055 patent, TS-Optics
28 is entitled to monetary damages in an amount adequate to compensate for

Defendant's infringement, but in no event less than a reasonable royalty for the use made of the invention by Defendant, together with interest and costs as fixed by the Court.

COUNT II

INFRINGEMENT OF U.S. PATENT NO. 9,612,709

16. TS-Optics realleges and incorporates by reference the foregoing paragraphs as if fully set forth herein.

17. TS-Optics owns by assignment all rights, title, and interest, including the right to recover damages for past, present, and future infringement, in U.S. Patent No. 9,612,709, titled "Mobile terminal-based virtual game controller and remote control system using the same." The '709 patent was duly and legally issued by the United States Patent and Trademark Office on April 4, 2017. A true and correct copy of the '709 patent is attached as Exhibit 3.

18. On information and belief, Defendant makes, uses, offers for sale, sells, and/or imports into the United States certain products that directly infringe, literally and/or under the doctrine of equivalents, one or more claims of the '709 patent, including, without limitation, XBOX Cloud Gaming, and all versions and variations thereof since the issuance of the '709 patent ("'709 Accused Products").

19. Defendant also knowingly and intentionally induces infringement of one or more claims of the '709 patent in violation of 35 U.S.C. §271(b). Defendant has had knowledge of the '709 patent and the infringing nature of the '709 Accused Products at least as of the date this this Complaint was filed. Despite knowledge of the '709 patent, Defendant continues to actively encourage and instruct its customers and end users (for example, through user manuals and online instruction materials on its website) to use the '709 Accused Products in ways that directly infringe the '709 patent. Defendant does so knowing and intending that these customers and end users will commit these infringing acts. Defendant also continues to make, use, sell, offer for sale, and/or import the '709 Accused Products, despite their knowledge of

1 the '709 patent, thereby specifically intending for and inducing its customers to
2 infringe the '709 patent through their customers' normal and customary use of the
3 '709 Accused Products.

4 20. The '709 Accused Products satisfy all claim limitations of one or more
5 claims of the '709 patent. A claim chart comparing claim 4 of the '709 patent to a
6 representative '709 Accused Product is attached as Exhibit 4.

7 21. By making, using, offering for sale, selling and/or importing into the
8 United States the '709 Accused Products, Defendant has injured TS-Optics and is
9 liable for infringement of the '709 patent pursuant to 35 U.S.C. § 271.

10 22. As a result of Defendant's infringement of the '709 patent, TS-Optics
11 is entitled to monetary damages in an amount adequate to compensate for
12 Defendant's infringement, but in no event less than a reasonable royalty for the use
13 made of the invention by Defendant, together with interest and costs as fixed by the
14 Court.

15 **PRAYER FOR RELIEF**

16 WHEREFORE, Plaintiff respectfully requests that this Court enter:

17 a. A judgment in favor of TS-Optics that Defendant has infringed, either
18 literally and/or under the doctrine of equivalents, the Asserted Patents;

19 b. A judgment and order requiring Defendant to pay TS-Optics its
20 damages, costs, expenses, and pre-judgment and post-judgment interest for
21 Defendant's infringement of the Asserted Patents;

22 c. A judgment and order requiring Defendant to pay TS-Optics
23 compulsory ongoing licensing fees, as determined by the Court;

24 d. A judgment and order finding that this is an exceptional case within the
25 meaning of 35 U.S.C. § 285 and awarding TS-Optics its reasonable attorneys' fees
26 against Defendant;

27 e. A judgement that Defendant's infringement of the '055 patents has
28 been and continues to be willful and deliberate; and

f. Any and all other relief as the Court may deem appropriate and just under the circumstances.

DEMAND FOR JURY TRIAL

Plaintiff, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

DATED: November 26, 2024

Respectfully submitted,

/s/ Benjamin T. Wang

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