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IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

MICROSOFT CORPORATION,
Plaintiff,

vs.

BARNES & NOBLE, INC.,
BARNESANDNOBLE.COM LLC, HON
HAI PRECISION INDUSTRY CO., LTD.,
FOXCONN INTERNATIONAL
HOLDINGS LTD., FOXCONN
ELECTRONICS, INC., FOXCONN
PRECISION COMPONENT (SHENZHEN)
CO., LTD., and INVENTEC
CORPORATION,
Defendants.

Case No.

**COMPLAINT FOR PATENT
INFRINGEMENT**

JURY DEMANDED

Plaintiff Microsoft Corporation (“Microsoft”), for its Complaint for Patent
Infringement against Defendants Barnes & Noble, Inc.; barnesandnoble.com LLC; Hon Hai
Precision Industry Co., Ltd.; Foxconn International Holdings Ltd.; Foxconn Electronics, Inc.;
Foxconn Precision Component (Shenzhen) Co., Ltd.; and Inventec Corporation (collectively,
“Defendants”), alleges as follows:

PARTIES

1
2 1. Plaintiff Microsoft is a Washington corporation having its principal place of
3 business at One Microsoft Way, Redmond, Washington 98052.

4 2. On information and belief, Defendant Barnes & Noble, Inc. is a Delaware
5 corporation with its principal place of business at 122 Fifth Avenue, New York, New York
6 10011.

7 3. On information and belief, Defendant barnesandnoble.com LLC is a Delaware
8 limited liability company with its principal place of business at 122 Fifth Avenue, New York,
9 New York 10011.

10 4. On information and belief, Defendant Hon Hai Precision Industry Co., Ltd.
11 operates under the registered trade name “Foxconn,” and exists under the laws of the Republic
12 of China, with its principal place of business at 2 Zihyou Street, Tucheng City, Taipei County,
13 236 Taiwan.

14 5. On information and belief, Defendant Foxconn International Holdings Ltd. is a
15 subsidiary of Hon Hai Precision Industry Co., Ltd. and exists under the laws of the People’s
16 Republic of China in the Special Administrative Region of Hong Kong, with its principal place
17 of business at 8F Peninsula Tower, 538 Castle Peak Road, Cheung Sha Wan Kowloon, New
18 Territories, Hong Kong.

19 6. On information and belief, Defendant Foxconn Electronics, Inc. is a subsidiary
20 of Defendant Hon Hai Precision Industry Co., Ltd., and exists under the laws of the Republic
21 of China, with its principal place of business at 2 Zihyou Street, Tucheng City, Taipei County,
22 236 Taiwan.

23 7. On information and belief, Defendant Foxconn Precision Component
24 (Shenzhen) Co. Ltd. is a wholly owned subsidiary of Defendant Foxconn Electronics, Inc., and
25 exists under the laws of the Republic of China, with a principal place of business at No. 2, East
Ring Road, No. 10 Industrial Zone, Yousong, Longhua, Shenzhen, Guandong 518109, PRC.

1 8. On information and belief, Defendant Inventec Corporation exists under the
2 laws of the Republic of China, with its principal place of business at Inventec Building, No. 66
3 Hou-Kang Street, Shin-Lin District, Taipei County, 111 Taiwan.

4 9. On information and belief, Defendants are engaged in the design, manufacture,
5 sale within the United States, offering for sale in the United States, use within the United
6 States, importation into the United States, and/or sale after importation into the United States
7 of handheld electronic computing devices utilizing the Android operating system, including
8 related software, and components thereof. On information and belief, Defendants market and
9 sell these devices worldwide through their channel business partners and various retailers,
10 including through retail stores and company websites.

11 **JURISDICTION AND VENUE**

12 10. This is an action for patent infringement arising under the patent laws of the
13 United States, Title 35, United States Code.

14 11. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and
15 1338(a).

16 12. On information and belief, Defendants are subject to personal jurisdiction in the
17 Western District of Washington (the “District”), consistent with the principles of due process
18 and the Washington Long Arm Statute, because Defendants maintain offices and facilities in
19 this District, offer their products for sale in this District, have transacted business in this
20 District, have committed and/or induced acts of patent infringement in this District, and/or
21 have placed infringing products into the stream of commerce through established distribution
22 channels with the expectation that such products will be purchased by residents of this District.

23 13. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b), 1391(c),
24 1391(d), and 1400(b).

25 **PATENT INFRINGEMENT COUNTS**

14. Microsoft is the owner of all right, title, and interest in U.S. Patent No.

1 5,778,372 (the “372 patent”), U.S. Patent No. 6,339,780 (the “780 patent”), U.S. Patent No.
2 5,889,522 (the “522 patent”), U.S. Patent No. 6,891,551 (the “551 patent”), and U.S. Patent
3 No. 6,957,233 (the “233 patent”) (collectively, the “Microsoft Patents”), which Defendants
4 are infringing and/or inducing others to infringe by making, using, offering to sell, and/or
5 selling in the United States, and/or importing into the United States, products or processes that
6 practice one or more inventions claimed in the Microsoft Patents.

7 15. Defendants have profited through infringement of the Microsoft Patents. As a
8 result of Defendants’ unlawful infringement of the Microsoft Patents, Microsoft has suffered
9 and will continue to suffer damage. Microsoft is entitled to recover from Defendants the
10 damages suffered by Microsoft as a result of Defendants’ unlawful acts.

11 16. On information and belief, Defendants’ infringement of one or more of the
12 Microsoft Patents is willful and deliberate, entitling Microsoft to enhanced damages and
13 reasonable attorney fees and costs.

14 17. On information and belief, Defendants intend to continue their unlawful
15 infringing activity, and Microsoft continues to and will continue to suffer irreparable harm—
16 for which there is no adequate remedy at law—from such unlawful infringing activity unless
17 Defendants are enjoined by this Court.

18 **COUNT I**

19 **INFRINGEMENT OF U.S. PATENT NO. 5,778,372**

20 18. Microsoft realleges and incorporates by reference the allegations set forth in
21 paragraphs 1-17.

22 19. Microsoft is the owner of all right, title, and interest in the ’372 patent, entitled
23 “Remote Retrieval and Display Management of Electronic Document with Incorporated
24 Images,” duly and properly issued by the U.S. Patent and Trademark Office on July 7, 1998. A
25 copy of the ’372 patent is attached as Exhibit A.

20. Defendants have been and/or are directly infringing and/or inducing

1 infringement of and/or contributorily infringing the '372 patent by, among other things,
2 making, using, offering to sell or selling in the United States, or importing into the United
3 States, products and/or services that are covered by at least claims 1 and 5 of the '372 patent,
4 including, by way of example and not limitation, the Barnes & Noble Nook and Nook Color,
5 and the related software loaded onto these handheld electronic computing devices.

6 **COUNT II**

7 **INFRINGEMENT OF U.S. PATENT NO. 6,339,780**

8 21. Microsoft realleges and incorporates by reference the allegations set forth in
9 paragraphs 1-20.

10 22. Microsoft is the owner of all right, title, and interest in the '780 patent, entitled
11 "Loading Status in a Hypermedia Browser Having a Limited Available Display Area," duly
12 and properly issued by the U.S. Patent and Trademark Office on January 15, 2002. A copy of
13 the '780 patent is attached as Exhibit B.

14 23. Defendants have been and/or are directly infringing and/or inducing
15 infringement of and/or contributorily infringing the '780 patent by, among other things,
16 making, using, offering to sell or selling in the United States, or importing into the United
17 States, products and/or services that are covered by at least claims 1-6, 9-14, 17-26, and 29-42
18 of the '780 patent, including, by way of example and not limitation, the Barnes & Noble Nook,
19 and the related software loaded onto this handheld electronic computing device.

20 **COUNT III**

21 **INFRINGEMENT OF U.S. PATENT NO. 5,889,522**

22 24. Microsoft realleges and incorporates by reference the allegations set forth in
23 paragraphs 1-23.

24 25. Microsoft is the owner of all right, title, and interest in the '522 patent, entitled
25 "System Provided Child Window Controls," duly and properly issued by the U.S. Patent and
Trademark Office on March 30, 1999. A copy of the '522 patent is attached as Exhibit C.

1 26. Defendants have been and/or are directly infringing and/or inducing
2 infringement of and/or contributorily infringing the '522 patent by, among other things,
3 making, using, offering to sell or selling in the United States, or importing into the United
4 States, products and/or services that are covered by at least claims 1, 2, and 12 of the '522
5 patent, including, by way of example and not limitation, the Barnes & Noble Nook Color, and
6 the related software loaded onto this handheld electronic computing device.

7 **COUNT IV**

8 **INFRINGEMENT OF U.S. PATENT NO. 6,891,551**

9 27. Microsoft realleges and incorporates by reference the allegations set forth in
10 paragraphs 1-26.

11 28. Microsoft is the owner of all right, title, and interest in the '551 patent, entitled
12 "Selection Handles in Editing Electronic Documents," duly and properly issued by the U.S.
13 Patent and Trademark Office on May 10, 2005. A copy of the '551 patent is attached as Exhibit
14 D.

15 29. Defendants have been and/or are directly infringing and/or inducing
16 infringement of and/or contributorily infringing the '551 patent by, among other things,
17 making, using, offering to sell or selling in the United States, or importing into the United
18 States, products and/or services that are covered by at least claims 1-3, 5, and 7-11 of the '551
19 patent, including, by way of example and not limitation, the Barnes & Noble Nook and Nook
20 Color, and the related software loaded onto these handheld electronic computing devices.

21 **COUNT V**

22 **INFRINGEMENT OF U.S. PATENT NO. 6,957,233**

23 30. Microsoft realleges and incorporates by reference the allegations set forth in
24 paragraphs 1-29.

25 31. Microsoft is the owner of all right, title, and interest in the '233 patent, entitled
"Method and Apparatus for Capturing and Rendering Annotations for Non-modifiable

1 Electronic Content,” duly and properly issued by the U.S. Patent and Trademark Office on
2 October 18, 2005. A copy of the ‘233 patent is attached as Exhibit E.

3 32. Defendants have been and/or are directly infringing and/or inducing
4 infringement of and/or contributorily infringing the ‘233 patent by, among other things,
5 making, using, offering to sell or selling in the United States, or importing into the United
6 States, products and/or services that are covered by at least claims 21 and 22 of the ‘233 patent,
7 including, by way of example and not limitation, the Barnes & Noble Nook Color, and the
8 related software loaded onto this handheld electronic computing device.

9 **DEMAND FOR JURY TRIAL**

10 33. Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Microsoft
11 respectfully requests a trial by jury of all issues properly triable by jury.

12 **PRAYER FOR RELIEF**

13 WHEREFORE, Microsoft prays for relief as follows:

14 A. For a judgment declaring that Defendants have infringed each of the Microsoft
15 Patents;

16 B. For a judgment awarding Microsoft compensatory damages as a result of
17 Defendants’ infringement of the Microsoft Patents, together with interest and costs, and in no
18 event less than a reasonable royalty;

19 C. For a judgment declaring that Defendants’ infringement of Microsoft Patents
20 has been willful and deliberate;

21 D. For a judgment awarding Microsoft treble damages and pre-judgment interest
22 under 35 U.S.C. § 284 as a result of Defendants’ willful and deliberate infringement of the
23 Microsoft Patents;

24 E. For a judgment declaring that this case is exceptional and awarding Microsoft
25 its expenses, costs, and attorneys fees in accordance with 35 U.S.C. §§ 284 and 285 and Rule
54(d) of the Federal Rules of Civil Procedure;

1 F. For a grant of a permanent injunction pursuant to 35 U.S.C. § 283, enjoining the
2 Defendants from further acts of infringement; and

3 G. For such other and further relief as the Court deems just and proper.

4 DATED this 21st day of March, 2011.

5 DANIELSON HARRIGAN LEYH & TOLLEFSON LLP

6
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