

System” (collectively, the “Patents”).

3. e-Watch Corporation and e-Watch, Inc. are parties to Inter-Company License Agreement, under which e-Watch, Inc. grants to e-Watch Corporation an exclusive license to make, use, sell and support products and services in accordance with the Patents, subject to certain restrictions and reservations of rights.

4. Defendants manufacture, provide, sell, offer for sale, import, and/or distribute infringing products and services related to those products.

5. Plaintiffs further seek monetary damages and prejudgment interest for Defendants’ past infringement of the Patents.

II. THE PARTIES

6. Plaintiff e-Watch, Inc. is a corporation organized and existing under the laws of the State of Nevada, with its principal place of business located at 23011 IH-10 West, San Antonio, Texas 78257.

7. Plaintiff e-Watch Corporation is a corporation organized and existing under the laws of the State of Texas, with its principal place of business located at 23011 IH-10 West, San Antonio, Texas 78257.

8. Upon information and belief, Defendant Sony Corporation is a corporation operating under the laws of Japan, with its principal place of business located at 1-7-1, Konan, Minato-ku, Tokyo 108-0075, Japan, where it can be served with process. Upon information and belief, Defendant Sony Corporation is authorized to do business in Texas.

9. Upon information and belief, Defendant Sony Mobile Communications AB is a wholly owned subsidiary of Tokyo-based Sony Corporation, with its principal place of business located at 221 88 Lund, Sweden, where it can be served with process. Upon information and

belief, Defendant Sony Mobile Communications AB is authorized to do business in Texas.

10. Upon information and belief, Defendant Sony Mobile Communications (USA), Inc. is a wholly owned subsidiary of Tokyo-based Sony Corporation and is a Delaware corporation with its principal place of business located at 3333 Piedmont Road, NE, Ste. 600, Atlanta, Georgia 30305. Sony Mobile Communications (USA), Inc. may be served with process through its registered agent Capitol Services Inc. 1675 S. State Street, Ste. B, Dover, Delaware 19901.

III. JURISDICTION AND VENUE

11. This is an action for patent infringement which arises under the Patent Laws of the United States, in particular, 35 U.S.C. §§271, 281, 283, 284, and 285. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§1331 and 1338(a).

12. This Court has personal jurisdiction over Defendants, and venue is proper in this Court pursuant to 28 U.S.C. §§1391(b), (c), and 1400.

IV. PATENTS-IN-SUIT

13. The Patents disclose an image capture, conversion, compression, storage and transmission system. The system provides a data signal representing the image in a format and protocol capable of being transmitted over transmission systems and received equipment receiving stations. In its most comprehensive form, the system is capable of capturing/receiving and sending audio, documentary and visual image data to and from remote stations.

14. Plaintiffs have obtained all substantial right and interest to the Patents, including all rights to recover for all past and future infringements thereof.

15. Plaintiffs have acted in conformity with 35 U.S.C. § 287.

V. DEFENDANTS' ACTS

16. Upon information and belief, Defendants manufacture, provide, sell, offer for sale, and/or distribute certain infringing camera phones that are capable of operating over cellular networks, including by way of example Xperia Z Ultra LTE ("Camera Phones"). By doing so, Defendants have infringed the Patents.

17. Upon information and belief, Defendants' Camera Phones are infringing systems. Defendants encourage and instruct its customers to use these infringing systems in a manner that infringes the Patents.

18. Plaintiffs have been and will continue to suffer damages as a result of Defendants' infringing acts.

COUNT ONE

PATENT INFRINGEMENT—U.S. PATENT NO. 7,365,871

19. Plaintiffs reallege and incorporate herein paragraphs 1–14.

20. Upon information and belief, Defendants have directly infringed the '871 Patent.

21. The aforementioned acts of Defendants have caused damage to Plaintiffs and will continue to do so.

COUNT TWO

PATENT INFRINGEMENT—U.S. PATENT NO. 7,643,168

22. Plaintiffs reallege and incorporate herein paragraphs 1–17.

23. Upon information and belief, Defendants have directly infringed the '168 Patent.

24. Defendants' aforementioned acts have caused damage to Plaintiffs and will continue to do so.

VI. JURY DEMAND

25. Plaintiffs hereby demand a jury on all issues so triable.

VII. REQUEST FOR RELIEF

WHEREFORE, Plaintiffs e-Watch, Inc. and e-Watch Corporation respectfully request that the Court:

- A. Enter judgment that Defendants infringe one or more claims of the Patents asserted against them in the above Counts literally and/or under the doctrine of equivalents;
- B. Award Plaintiffs e-Watch, Inc. and e-Watch Corporation past and future damages together with prejudgment and post-judgment interest to compensate for the infringement by Defendants of the Patents asserted against them in the Counts above in accordance with 35 U.S.C. §284; and
- C. Award Plaintiffs e-Watch, Inc. and e-Watch Corporation their costs, disbursements, attorneys' fees, and such further and additional relief as is deemed appropriate by this Court.

Dated: December 13, 2013

Respectfully submitted,

By: /s/ Christopher V. Goodpastor
Christopher V. Goodpastor
State Bar No. 00791991
LEAD ATTORNEY
Mikal C. Watts
State Bar. No. 20981820
WATTS GUERRA LLP
811 Barton Springs Road, Suite 725
Austin, Texas 78704
Telephone: (512) 479-0500
Facsimile: (512) 479-0502
Email: cgoodpastor@wattsguerra.com
mcwatts@wattsguerra.com

Francisco Guerra, IV
State Bar No. 00797784
WATTS GUERRA LLP
300 Convent Street, Suite 100
San Antonio, Texas 78205
Telephone: (210) 527-0500
Facsimile: (210) 527-0501
Email: fguerra@wattsguerra.com

Andrew G. DiNovo
State Bar No. 00790594
Adam G. Price
State Bar No. 24027750
Chester J. Shiu
State Bar No. 24071126
Stefanie T. Scott
State Bar No. 24061617
Gregory S. Donahue
State Bar No. 24012539
DINOVO PRICE ELLWANGER & HARDY LLP
7000 N. MoPac Expressway, Suite 350
Austin, Texas 78731
Telephone: (512) 539-2626
Facsimile: (512) 539-2627
Email: adinovo@dpelaw.com
aprice@dpelaw.com
cshiu@dpelaw.com
sscott@dpelaw.com
gdonahue@dpelaw.com

T. John Ward, Jr.
State Bar No. 00794818
WARD & SMITH LAW FIRM
P.O. Box 1231
Longview, Texas 75606-1231
Telephone: (903) 757-6400
Facsimile: (903) 757-2323
Email: jw@wsfirm.com

**ATTORNEYS FOR PLAINTIFFS
e-WATCH, INC. AND
e-WATCH CORPORATION**