

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

E-WATCH, INC., et al.,	§	
	§	
Plaintiffs,	§	
	§	
v.	§	Civil Action No. 2:13-cv-01061
	§	LEAD CASE
APPLE, INC., et al.,	§	
	§	
Defendants.	§	
	§	
	§	
HUAWEI TECHNOLOGIES CO. LTD., et al.	§	Civil Action No. 2:13-cv-01076
	§	

**SECOND AMENDED COMPLAINT**

Plaintiffs, e-Watch, Inc. and e-Watch Corporation (collectively, “e-Watch” or “Plaintiffs”), by and through their attorneys, for their Second Amended Complaint against Huawei Technologies Co., Ltd., Huawei Technologies USA, Inc., Huawei Device Co., Ltd., and Huawei Device USA, Inc. (collectively “Defendants”), hereby allege as follows:

**I. NATURE OF THE ACTION**

1. This is a patent infringement action to end Defendants’ unauthorized and infringing manufacture, use, sale, offering for sale, and/or importation of products incorporating Plaintiffs’ patented inventions.

2. e-Watch, Inc. is owner of all right, title, and interest in and to: United States Patent No. 7,365,871 (the “871 Patent”), issued April 29, 2008, for “Apparatus for Capturing, Converting and Transmitting a Visual Image Signal Via a Digital Transmission System”; United States Patent No. 7,643,168 (the “168 Patent”), issued January 5, 2010, for “Apparatus for Capturing, Converting and Transmitting a Visual Image Signal Via a Digital Transmission

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. Upon information and belief, 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 Huawei Technologies Co., Ltd. is a corporation organized under the laws of the China, and has its principle place of business located at HQ Office Building, Huawei Industrial Park, Bantian, Longgang District, Shenzhen, 518129 P.R. China, where it can be served with process. Upon information and belief, Defendant Huawei Technologies Co., Ltd. is authorized to do business in Texas and has a North American Headquarters for Marketing, Sales & Services located at 5700 Tennyson Parkway, Suite 500, Plano, Texas 75024.

9. Upon information and belief, Defendant Huawei Technologies USA, Inc. is a corporation organized under the laws of the State of Texas, with its principal place of business located at 5700 Tennyson Parkway, Suite 500, Plano, Texas 75024. Upon information and belief, Defendant Huawei Technologies USA, Inc. is authorized to do business in Texas. Huawei Technologies USA, Inc. may be served by serving its registered agent CT Corporation System, 350 N. St. Paul Street, Suite 2900, Dallas, Texas 75201.

10. Upon information and belief, Defendant Huawei Device Co., Ltd. is a corporation organized under the laws of the China, and has its principle place of business located at HQ Office Building, Huawei Industrial Park, Bantian, Longgang District, Shenzhen, 518129 P.R. China, where it can be served with process. Upon information and belief, Defendant Huawei Device Co., Ltd. is authorized to do business in Texas and has a North American Headquarters for Marketing, Sales & Services located at 5700 Tennyson Parkway, Suite 500, Plano, Texas 75024.

11. Upon information and belief, Defendant Huawei Device USA, Inc. is a corporation organized under the laws of the State of Texas, with its principle place of business located 5700 Tennyson Parkway, Suite 500, Plano, Texas 75024, where it can be served with process. Upon information and belief, Defendant Huawei Device USA, Inc. is authorized to do business in Texas. Huawei Device USA, Inc. may be served by serving its registered agent CT Corporation System, 350 N. St. Paul Street, Suite 2900, Dallas, Texas 75201.

### **III. JURISDICTION AND VENUE**

12. 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).

13. 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**

14. 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.

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

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

#### **V. DEFENDANTS' ACTS**

17. 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 Ascend G510 ("Camera Phones"). By doing so, Defendants have has infringed the Patents.

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

19. 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**

20. Plaintiffs reallege and incorporate herein paragraphs 1–15.
21. Upon information and belief, Defendants have directly infringed the '871 Patent.
22. 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**

23. Plaintiffs reallege and incorporate herein paragraphs 1–18.
24. Upon information and belief, Defendants have directly infringed the '168 Patent.
25. Defendants' aforementioned acts have caused damage to Plaintiffs and will continue to do so.

**VI. JURY DEMAND**

26. 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 its costs, disbursements, attorneys' fees, and such further and additional relief as is deemed appropriate by this Court.

Dated: April 4, 2014

Respectfully submitted,

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

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served this 4<sup>th</sup> day of April, 2014, with a copy of this document via the Court's CM/ECF system pursuant to Local Rule CV-5(a)(3).

*/s/ Christopher V. Goodpastor*

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Christopher V. Goodpastor