

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

POWERLINE INNOVATIONS, LLC,
Plaintiff,

v.

(1) ELK PRODUCTS, INC.;
(2) HOME AUTOMATION INC.;
(3) HOMESEER TECHNOLOGIES, LLC;
(4) POWERLINE CONTROL SYSTEMS, INC.;
(5) SIMPLY AUTOMATED, INCORPORATED; &
(6) WEB MOUNTAIN TECHNOLOGIES, LLC,
Defendants.

Civil Action No. 6:12-cv-134

JURY TRIAL DEMANDED

PLAINTIFF’S ORIGINAL COMPLAINT

1. Plaintiff Powerline Innovations, LLC (“Plaintiff”), by and through its undersigned counsel, files this Original Complaint against Elk Products, Inc., Home Automation Inc., HomeSeer Technologies, LLC, Powerline Control Systems, Inc., Simply Automated, Incorporated, and Web Mountain Technologies, LLC (individually, a “Defendant” and collectively, the “Defendants”) as follows:

NATURE OF THE ACTION

2. This is a patent infringement action to stop Defendants’ infringement of Plaintiff’s United States Patent No. 5,471,190 titled “Method and Apparatus for Resource Allocation in a Communication Network System” ((the “’190 Patent”), a copy of which is attached hereto as Exhibit A). Plaintiff is the assignee of the ’190 Patent. Plaintiff seeks injunctive relief and monetary damages.

PARTIES

3. Plaintiff is a limited liability company organized and existing under the laws of the State of Texas. Plaintiff is principally located at 555 Republic Drive, Suite 200, Plano, TX

75074. Plaintiff is authorized to do business in Texas. Plaintiff is the assignee of the '190 Patent, and possesses the right to sue for infringement and recover past damages.

4. On information and belief, Defendant Elk Products, Inc. ("Elk Products") is a North Carolina corporation with its principal place of business at 3266 Highway 70, Connelly Springs, NC 28612. This Defendant has appointed Wade Moose, at its principal place of business, as its agent for service of process.

5. On information and belief, Defendant Home Automation Inc. ("HAI") is a Louisiana corporation with its principal place of business at 4330 Michoud Blvd., New Orleans, LA 70129. This Defendant has appointed John R. McLellan, 25 Audubon Blvd., New Orleans, LA 70118, as its agent for service of process.

6. On information and belief, Defendant HomeSeer Technologies, LLC ("HomeSeer") is a New Hampshire limited liability company with its principal place of business at 35 Constitution Drive, Suite C, Bedford, NH 03110. This Defendant has appointed John Hughes, 900 Elm Street, PO Box 326, Manchester, NH 03101, as its agent for service of process.

7. On information and belief, Defendant Powerline Control Systems, Inc. ("PCS") is a California corporation with its principal place of business at 19201 Parthenia Street, Suite J, Northridge, CA 91324. This Defendant has appointed David Romney, 137 North Tenth Street, Santa Paula, CA 93060, as its agent for service of process.

8. On information and belief, Defendant Simply Automated, Incorporated ("Simply Automated") is a California corporation with its principal place of business at 6108 Avenida Encinas, Suite B, Carlsbad, CA 92011. This Defendant has appointed Frederick J Kiko, at its principal place of business, as its agent for service of process.

9. On information and belief, Defendant Web Mountain Technologies, LLC (“Web Mountain”) is a Colorado limited liability company with its principal place of business at 13822 E. Grand Ave., Aurora, CO 80015. This Defendant has appointed Terry Bolinger, at its principal place of business, as its agent for service of process.

JURISDICTION AND VENUE

10. This action arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. §§ 271, 281, 283, 284, and 285. This Court has subject matter jurisdiction over this case for patent infringement under 28 U.S.C. §§ 1331 and 1338(a).

11. The Court has personal jurisdiction over each Defendant because of at least the following: each Defendant has minimum contacts within the State of Texas and the Eastern District of Texas; each Defendant has purposefully availed itself of the privileges of conducting business in the State of Texas and in the Eastern District of Texas; each Defendant has sought protection and benefit from the laws of the State of Texas; each Defendant regularly conducts business within the State of Texas and within the Eastern District of Texas; and Plaintiff’s cause of action arises directly from each Defendant’s business contacts and other activities in the State of Texas and in the Eastern District of Texas.

12. More specifically, each Defendant, directly and/or through intermediaries, ships, distributes, offers for sale, sells, and/or advertises (including the provision of an interactive web page) its products and services in the United States, the State of Texas, and the Eastern District of Texas. Upon information and belief, each Defendant has committed patent infringement in the State of Texas and in the Eastern District of Texas, has contributed to patent infringement in the State of Texas and in the Eastern District of Texas, and/or has induced others to commit patent infringement in the State of Texas and in the Eastern District of Texas. Each Defendant

solicits and has solicited customers in the State of Texas and in the Eastern District of Texas. Each Defendant has many paying customers who are residents of the State of Texas and the Eastern District of Texas and who each use and have used the respective Defendants' products and services in the State of Texas and in the Eastern District of Texas.

13. Venue is proper in the Eastern District of Texas pursuant to 28 U.S.C. §§ 1391 and 1400(b).

14. Joinder of the Defendants is proper pursuant to 35 U.S.C. § 299(a) at least because each Defendant's infringing products practice the Universal Powerline Bus TM standard, the practice of which by each Defendant necessarily results in infringement of the '190 Patent. In addition, questions of fact common to all of the Defendants will arise in the action at least because, upon information and belief, Defendants' infringing acts arise from their common acts of adhering to and practicing the Universal Powerline Bus TM standard.

COUNT I – PATENT INFRINGEMENT

15. The '190 Patent was duly and legally issued by the United States Patent and Trademark Office on November 28, 1995, after full and fair examination. Plaintiff is the assignee of the '190 Patent, and possesses all rights of recovery under the '190 Patent with respect to the Defendants, including the right to sue for infringement and recover past damages.

16. Upon information and belief, Defendant Elk Products has infringed and continues to infringe one or more claims of the '190 Patent in the State of Texas, in this judicial district, and elsewhere in the United States, by making, using, providing, offering to sell, and selling (directly or through intermediaries) this Defendant's products, including, without limitation, ELK-M1PCSPIM M1 UPB Interface products, which employ methods for establishing control

relationships between plural devices in a home electrical system covered by one or more claims of the '190 Patent to the injury of Plaintiff.

17. Upon information and belief, Defendant HAI has infringed and continues to infringe one or more claims of the '190 Patent in the State of Texas, in this judicial district, and elsewhere in the United States, by making, using, providing, offering to sell, and selling (directly or through intermediaries) this Defendant's products, including, without limitation, Model 36A00-1 UPB™ Powerline Interface Module products, which employ methods for establishing control relationships between plural devices in a home electrical system covered by one or more claims of the '190 Patent to the injury of Plaintiff.

18. Upon information and belief, Defendant HomeSeer has infringed and continues to infringe one or more claims of the '190 Patent in the State of Texas, in this judicial district, and elsewhere in the United States, by making, using, providing, offering to sell, and selling (directly or through intermediaries) this Defendant's products, including, without limitation, HomeSeer UPB Plug-In products, which employ methods for establishing control relationships between plural devices in a home electrical system covered by one or more claims of the '190 Patent to the injury of Plaintiff.

19. Upon information and belief, Defendant PCS has infringed and continues to infringe one or more claims of the '190 Patent in the State of Texas, in this judicial district, and elsewhere in the United States, by making, using, providing, offering to sell, and selling (directly or through intermediaries) this Defendant's products, including, without limitation, AM1 Appliance Module products, which employ methods for establishing control relationships between plural devices in a home electrical system covered by one or more claims of the '190 Patent to the injury of Plaintiff.

20. Upon information and belief, Defendant Simply Automated has infringed and continues to infringe one or more claims of the '190 Patent in the State of Texas, in this judicial district, and elsewhere in the United States, by making, using, providing, offering to sell, and selling (directly or through intermediaries) this Defendant's products, including, without limitation, UMI-32(SP) products, which employ methods for establishing control relationships between plural devices in a home electrical system covered by one or more claims of the '190 Patent to the injury of Plaintiff.

21. Upon information and belief, Defendant Web Mountain has infringed and continues to infringe one or more claims of the '190 Patent in the State of Texas, in this judicial district, and elsewhere in the United States, by making, using, providing, offering to sell, and selling (directly or through intermediaries) this Defendant's products, including, without limitation, AM-01 UPB Plug-in Appliance Module products, which employ methods for establishing control relationships between plural devices in a home electrical system covered by one or more claims of the '190 Patent to the injury of Plaintiff.

22. Each Defendant undertook aforesaid activities without authority and/or license from Plaintiff.

23. Plaintiff is entitled to recover from the Defendants the damages sustained by Plaintiff as a result of the Defendants' wrongful acts in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

JURY DEMAND

24. Plaintiff hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

PRAYER FOR RELIEF

Plaintiff respectfully requests that the Court find in its favor and against the Defendants, and that the Court grant Plaintiff the following relief:

A. An adjudication that one or more claims of the '190 Patent have been infringed, either literally and/or under the doctrine of equivalents, by the Defendants and/or by others to whose infringement the Defendants have contributed and/or by others whose infringement has been induced by the Defendants;

B. An award to Plaintiff of damages adequate to compensate Plaintiff for the Defendants' acts of infringement together with pre-judgment and post-judgment interest;

C. That the Defendants' acts of infringement be found to be willful from the time that the Defendants became aware of the infringing nature of its actions, which is the time of filing of Plaintiff's Original Complaint, at the latest, and that the Court award treble damages for the period of such willful infringement pursuant to 35 U.S.C. § 284;

D. That this Court declare this to be an exceptional case and award Plaintiff its reasonable attorneys' fees and costs in accordance with 35 U.S.C. §285; and

E. Any further relief that this Court deems just and proper.

Respectfully submitted,

Dated: March 13, 2012

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