

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

STONE INTERACTIVE VENTURES LLC,

Plaintiff,

v.

ELECTRONIC ARTS INC.,

Defendants.

Case No. 6:19-cv-00542

Jury Trial Demanded

COMPLAINT

Plaintiff Stone Interactive Ventures LLC (“SIV” or “Plaintiff”), files this complaint for patent infringement against Electronic Arts Inc. (“EA” or “Defendant”), under 35 U.S.C. § 271 *et. seq.*, as a result of EA’s unauthorized use of SIV’s patents, and alleges as follows:

THE PARTIES

1. SIV is a limited liability company organized and existing under the laws of Maryland, with its principal place of business at 301 South Fremont Avenue, Baltimore, MD 21230.

2. On information and belief, Defendant Electronic Arts Inc., (hereinafter “EA”), is a Delaware corporation with a place of business at 209 Redwood Shores Parkway, Redwood City, CA 94065.

3. On information and belief, EA formally registered to do business in the state of Texas under Texas SOS file number 0009944106 in or about March, 1987.

4. On information and belief, since at least as early as 1992, EA has had an established place of business in this judicial district.

5. On information and belief, EA presently has an established place of business in this judicial district with a physical office at 7700 W Parmer Ln, Ste. 250, Building 3, Austin, TX 78729.

JURISDICTION AND VENUE

6. This is a civil action for infringement of United States patent nos.: 7,593,864 and 8,516,473 (collectively, the “patents-in-suit” or “asserted patents”). True and correct copies of the patents are attached as Exhibits 1-2, respectively.

7. This action arises under the patent laws of the United States, 35 U.S.C. § 100 *et seq.*, generally, and 35 U.S.C. §§ 271(a) and (b), specifically.

8. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331 and 28 U.S.C. § 1338(a) because this action arises under the patent laws of the United States, 35 U.S.C. §§ 100 *et seq.*

9. EA is subject to this Court’s specific and general personal jurisdiction, in accordance with due process and/or the Texas Long Arm Statute because, in part, EA “[r]ecruits Texas residents, directly or through an intermediary located in this state, for employment inside or outside this state.” *See* Tex. Civ. Prac. & Rem. Code § 17.042.

10. This Court has personal jurisdiction over EA because it committed and continues to co acts of infringement in this judicial district in violation of 35 U.S.C. §§ 271(a) and (b). In particular, EA has made, used, offered to sell, and sold products and systems in this judicial district, including infringing video games.

11. In addition, and on information and belief, EA is subject to the Court's general jurisdiction because it regularly conducts and solicits business, or otherwise engages in other persistent courses of conduct in this district, and/or derives substantial revenue from the sale and distribution of goods and services provided to individuals and businesses in this district.

12. This Court has specific and general personal jurisdiction over EA because, *inter alia*, EA, on information and belief: (1) has substantial, continuous, and systematic contacts with this State and this judicial district; (2) owns, manages, and operates facilities in this State and this judicial district; (3) enjoys substantial income from sales in this State and this judicial district; (4) employs Texas residents in this State and this judicial district, and (5) markets products in this State and judicial district.

13. Venue is proper pursuant to 28 U.S.C. §§ 1391(b), (c), (d) and/or 1400(b), at least because EA, either directly or through its agents, has committed acts of infringement in this district, and has a regular and established place of business in this district.

14. On information and belief, EA maintains a significant physical presence in this district. Specifically, EA has a large corporate office at 7700 W Parmer Ln Ste 250, Building 3, Austin, TX 78729 ("Austin Office"), which is within this judicial district, and which EA uses as an established place of business. Affixed to the exterior of EA's Austin Office is large and clear signage that reads "EA" as seen in an image from EA's website, shown below:



Source: Photographic media available through EA’s website, (attached as Exhibit 3).
<https://media.contentapi.ea.com/content/dam/eacom/common/ea-austin-body-image2.png.adapt.crop16x9.1455w.png>

15. On information and belief, in 2018, Larry Gaddes PCAC, CTA, the Tax Assessor-Collector for Williamson County, Texas, the County where EA’s Austin Office is situated, assessed the taxable value of the Austin Office in excess of \$6.5 million dollars, and noted that EA owns 100% of the Austin Office in its own name. A true and correct copy of the 2018 Property Tax Statement for the Austin Office is attached as Exhibit 4.

16. On information and belief, EA uses the Austin Office as a regular and established place of business because this location is “home to the following teams: BioWare Austin, EA Mobile’s Red Crow studio, EA SPORTS, EA’s Worldwide Customer Experience team, and the EA Technology team.”¹ On its website, EA notes that “[t]he Tech Ops team is building the infrastructure to host all of EA’s online

¹ See <https://www.ea.com/careers/careers-overview/austin>

services. This environment is highly distributed and dynamic, and it services millions of players every day, worldwide.”²

17. On information and belief, thousands of players who rely on the online infrastructure that EA’s Tech Op’s team has built and use EA’s Worldwide Customer Experience team’s services, reside in this judicial district.

18. On information and belief, many of EA’s video game products that it markets, offers to sell, and sells to consumers throughout the United States and in this judicial district, including video games that infringe one or more of the claims of the patents-in-suit, were developed at, or are serviced by, employees at EA’s Austin Office.

19. On information and belief, the Austin Office is “EA’s third largest out of 20 worldwide operations. The facility employs approximately 800, including 250 in the CX team.”³ On information and belief, the CX team maintains a “[l]ab designed for testing new technology and processes.”⁴

20. On information and belief, EA uses the Austin Office as a regular and established place of business because this location is where numerous important employees are located, including, but not limited to a Director of Operations, a UX Design Director, a Director of Fraud and Player Security, a Senior Counsel and Director of Public Policy and Governmental Affairs, an Art Director, an Operations &

² *Id.*

³ See <https://www.customercontactweekdigital.com/events-customercontactweekfall/speakers/john-pompei-3>

⁴ *Id.*

Infrastructure Technical Director, and a Product Director, as well as software and hardware engineers, lead animators, and other engineers.⁵

21. On information and belief, publicly-available information lists one hundred twenty-five H-1B labor condition applications that EA filed for persons employed in Austin, Texas since 2014. *See* Exhibit 5.⁶ Thus, those workers EA employs at its Austin office are highly specialized and important to the regular operation of EA because workers holding an H-1B visa are employed in a specialty occupation that requires a “theoretical and practical application of a body of highly specialized knowledge . . . and attainment of a bachelor’s or higher degree in the specific specialty. . . .” *See generally* 8 U.S.C. § 1184.

22. On information and belief, in 2011, former EA Games President, Frank Gibeau, held a press conference with EA Sports Chief Operating Officer, Darryl Holt and then Texas Governor Rick Perry, and commented that “[i]t’s really awesome to have a company like EA that is committed to the long haul now and is expanding its presence in Texas.”⁷

23. On information and belief, EA maintains an online platform called “Origin,” which is accessible at origin.com. Through the Origin platform, EA directly

⁵ *See* <https://www.ea.com/careers/careers-overview/austin>

⁶ *See* <https://h1bdata.info/index.php?em=ELECTRONIC+ARTS+INC&job=&city=AUSTIN&year=All+Years>

⁷ *See* <https://www.ea.com/news/ea-to-dramatically-expand-austin-facility>

markets, distributes, sells and offers to sell video games to online consumers, including consumers in this judicial district. The Terms of Service for EA's Origin platform contemplate that some of the consumers of the Origin platform "live in the United States."⁸ On information and belief, EA markets and sells its video games through its Origin platform to domestic consumers, including consumers located in this judicial district.

24. On information and belief, one of EA's video games available for purchase through its Origin platform is Anthem.⁹ On information and belief, one of the offerings on the Origin platform is Anthem Shard Packs, which are an "in-game currency that can be used in Anthem to buy cosmetic items that customize the appearances of your Javelin exosuits."¹⁰

25. On information and belief, EA developed its Anthem video game at least in part in this judicial district.¹¹

26. On information and belief, the lead producer of Anthem, Ben Irving, is based out of EA's Austin Office.

27. On information and belief, in addition to its Origin Platform, EA maintains a fee-based paid video game subscription gaming service called "EA

⁸ See <http://tos.ea.com/legalapp/WEBTERMS/US/en/PC/>

⁹ See <https://www.origin.com/usa/en-us/store/browse?fq=franchise:anthem&sort=rank%20desc>

¹⁰ See <https://www.origin.com/usa/en-us/store/anthem/anthem/currency>

¹¹ See <http://blog.bioware.com/2018/12/07/our-journey-to-launch-anthem/>

Access.”¹² On information and belief, EA’s Anthem video game is accessible through the EA Access service.¹³

28. On information and belief, EA grants access to video games including Anthem, through the EA Access video game subscription service to video game players, including video game players located in this judicial district.

29. On information and belief, one of EA’s video games available through its Origin platform is Apex Legends.¹⁴ Additionally, one of the offerings available through EA’s Origin platform is “Apex Coins,” which are an “in-game currency [that] can be used to purchase new cosmetic items for characters and weapons in the direct purchase shop.”¹⁵ Apex Coins can “also be used to purchase cosmetic Apex Packs and to unlock new characters through the in-game store.”¹⁶

30. On information and belief, in addition to the Origin platform and EA Access, EA’s website maintains lists of worldwide and North American “Trusted PC Digital Online Retailers,” including Ubisoft, Valve/Steam, Amazon, Best Buy, Gamestop, Target, and Walmart.¹⁷ On information and belief, one or more of the above

¹² See <https://www.ea.com/ea-access>

¹³ See <https://www.ea.com/ea-access/games/anthem/anthem>

¹⁴ See <https://www.origin.com/usa/en-us/store/apex/apex>

¹⁵ See <https://www.origin.com/usa/en-us/store/apex/apex/currency#store-page-section-description>

¹⁶ *Id.*

¹⁷ See <https://help.ea.com/en-us/help/faq/where-to-buy-ea-games-v2>

Trusted PC Digital Online Retailers markets and delivers infringing video games to consumers in this judicial district.

31. On information and belief, one or more of EA's Trusted PC Digital Online Retailers maintains traditional brick-and-mortar stores in this judicial district. For example, upon information and belief, Target maintains a brick-and-mortar retail location at 5401 Bosque Blvd, Waco, TX 76710; Best Buy maintains a brick-and-mortar retail location at 4627 S N Jack Kultgen Expy, Waco, TX 76706; Gamestop maintains a brick-and-mortar retail location at 1428 Wooded Acres Dr Ste 204, Waco, TX 76710; and Walmart maintains a brick-and-mortar retail location at 4320 Franklin Ave, Waco, TX 76710.

32. On information and belief, the Trusted PC Digital Online Retailers listed on EA's website market and sell infringing video games to consumers in this judicial district through the brick-and-mortar locations located in this judicial district.

33. On information and belief, EA's Austin Office is home to its Worldwide Customer Experience Center,¹⁸ which services the customer experience of EA video game players throughout the United States and in this judicial district, including for such games as Anthem and Apex Legends.

34. On information and belief, EA derives substantial revenue from the sale of video games distributed to, and within this district, including Anthem and Apex Legends.

¹⁸ See <https://www.ea.com/news/ea-opens-new-customer-experience-center-in-austin>

THE PATENTS-IN-SUIT

Examination and issuance of the patents-in-suit

35. As is well known, to obtain a patent an inventor must file an application with the United States Patent and Trademark Office (“USPTO”), and in that application must disclose what the inventor invented in sufficient detail such that one skilled in the art can make and/or use the invention.

36. Examiners at the USPTO review patent applications to determine whether a claimed invention should be granted a patent. In general, the most important task of a patent examiner is to review the technical information disclosed in a patent application and compare it to the state of the art. This involves reading and understanding a patent application, and then searching the prior art to determine what technological contribution the application teaches the public. A patent is a reward for informing the public about specific technical details of a new invention.

37. The work of a patent examiner includes searching prior patents, scientific literature databases, and other resources for prior art. Then, an examiner reviews the claims of the patent application substantively to determine whether each complies with the legal requirements for granting of a patent. A claimed invention must meet patentability requirements including statutory subject matter, novelty, non-obviousness, industrial application (or utility) and sufficiency of disclosure and examiners must apply federal Laws (Title 35 of the United States Code), rules, judicial precedents, and guidance from agency administrators.

38. To have signatory authority (either partial or full), examiners must pass a test equivalent to the Patent Bar. All examiners must have a college degree in engineering or science. Examiners are assigned to “Art Units,” typically groups of 8-15 examiners in the same area of technology. Thus, by way of required background and work experience, examiners have special knowledge and skill concerning the technologies examined by them and in their particular Art Unit.

39. The basic steps of the examination consist of:

- reviewing patent applications to determine if they comply with basic format, rules and legal requirements;
- determining the scope of the invention claimed by the inventor;
- searching for relevant technologies to compare similar prior inventions with the invention claimed in the patent application; and
- communicating findings as to the patentability of an applicant’s invention via a written action to inventors/patent practitioners.

40. Communication of findings as to patentability are done by way of one or more Office Actions in which the examiner accepts or rejects the applicant’s proposed claims and provides reasons for rejections. The applicant is then permitted to file a Response to Office Action, in which claims may be amended to address issues the Examiner raises, or the applicant states reasons why the Examiner’s findings are incorrect. If an applicant disagrees with an Examiner’s Final Rejection, the applicant may file an appeal with the Patent Trial and Appeal Board (“PTAB”). If, after this process, the USPTO determines that the application meets all requirements, a patent is duly allowed, and after an issue fee is paid, the patent is issued.

41. A patent the USPTO duly allowed and issued is presumptively valid and becomes the property of the inventor(s) or assignee(s).

42. On information and belief, each of the patents-in-suit was examined by an examiner at the USPTO in accordance with the process generally described in paragraphs 35 - 41 above.

United States patent no. 7,593,864

43. The prosecution of United States patent no. 7,593,864 (“the ‘864 patent”) spanned eight years, from the date of filing of the application on April 18, 2001, through the issue date of September 22, 2009.

44. On September 22, 2009, the United States Patent and Trademark Office (“USPTO”) duly and legally issued the ‘864 patent entitled “Method and apparatus for managing ownership of virtual property” to inventor Brian Mark Shuster. A true and correct copy of the ‘864 patent is attached as Exhibit 1, and is incorporated by reference.

45. The ‘864 patent claims patent-eligible subject matter under 35 U.S.C. § 101.

46. The ‘864 patent is presumed valid under 35 U.S.C. § 282.

47. SIV owns all substantial rights, title, and interest in the ‘864 patent.

48. SIV has standing to sue for infringement of the ‘864 patent.

49. EA has not obtained a license to the ‘864 patent.

50. EA does not have SIV’s permission to make, use, sell, offer to sell, or import products that are covered by one or more claims of the ‘864 patent.

51. EA is required to obtain a license to the ‘864 patent and cease its ongoing infringement of SIV’s patent rights.

52. As set forth in the Abstract, the '864 patent is directed to, among other things,

[a] method and apparatus for managing ownership of virtual property accessible to users is provided by a computer-implemented system connected to a network. This method and apparatus further comprises maintaining an inventory of virtual properties, managing ownership of virtual properties, and allowing use of virtual properties by corresponding property owners within corresponding network spaces. . . .

53. On information and belief, before the April 18, 2000 priority date of the '864 patent, video games did not contain virtual property management systems that allowed for the "purchase and ownership of property rights that are entirely digital in nature and that have no value outside of the digital environment in which they exist." *See, e.g.,* '864 patent, col. 2, ll. 33-36.

54. On information and belief, there were drawbacks of traditional video games at the time of the '864 patent invention that included, among other things, a lack of a centralized database where virtual properties were tracked and maintained in such a way that virtual property rights could be transferred, used, and managed while requiring minimal computing resources from the computer system running the video game, while simultaneously protecting the video game operators from unauthorized duplication of their virtual properties. *See, e.g.,* '864 patent, col. 2, ll. 21-43.

55. The '864 patent inventor, however, conceived of a novel video game system that included utilizing in-game virtual property ownership management technology.

56. On information and belief, one or more of EA's video game systems, as set forth in the '864 patent, include, among other things, a game server configured to provide access to virtual properties and a centralized database for maintaining an inventory of virtual properties.

United States patent no. 8,516,473

57. The prosecution of United States patent no. 8,516,473, ("the '473 patent"), lasted for over eight years, from the date of filing of the application on January 11, 2005 through the issue date of August 20, 2013.

58. On August 20, 2013, the USPTO duly and legally issued the '473 patent entitled "Converting a limited program object to a complete program object" to inventor Greg Lane. A true and correct copy of the '473 patent is attached as Exhibit 2, and is incorporated by reference.

59. The '473 patent claims patent-eligible subject matter under 35 U.S.C. § 101.

60. The '473 patent is presumed valid under 35 U.S.C. § 282.

61. SIV owns all substantial rights, title and interest in the '473 patent.

62. SIV has standing to sue for infringement of the '473 patent.

63. EA has not obtained a license to the '473 patent.

64. EA does not have SIV's permission to make, use, sell, offer to sell, or import products that are covered by one or more claims of the '473 patent.

65. EA is required to obtain a license to the '473 patent and cease its ongoing infringement of SIV's patent rights.

66. As set forth in the Abstract, the '473 patent is directed to, among other things,

[a] system for distributing and selling program objects. The system has the ability to download a limited functionality program object from one computer system to another, then to allow a user to view and interact but not control that object without first purchasing the object online. Once this purchase is made, an additional program object or code is provided that gives the user control of the initial program object.

67. On information and belief, before the June 29, 2000 priority date of the '473 patent, video games did not have the ability to interact with video game components such as characters or weapons prior to allowing players to purchase such video game components.

68. On information and belief, at the time of the '473 patent invention there were drawbacks to traditional video game systems that included, among other things, requiring "users to shutdown and start a program when there is a change from limited functionality to full functionality." *See, e.g., '473 patent, col. 1, ll. 60-63.* On information and belief, requiring a video game player to shutdown and restart a video game system is particularly undesirable in the context of multiplayer video games such as EA's Apex Legends and Anthem video game titles. Moreover, solving the problem of restarting the computer program enabled the computer system and the video games running on that computer system to operate more efficiently.

69. The '473 patent inventor, conceived of a novel video game enhancement system that included utilizing LFO conversion technology to taunt video game players with LFOs thus increasing the likelihood that the user will purchase the corresponding

FFO. Namely, the inventor conceived of a networked client/server system that unlocked features of in-game objects without requiring a restarting of the video games as required by the prior art.

EA's INFRINGEMENT OF THE PATENTS-IN-SUIT

70. Defendant has made, used, sold, offered for sale, and continues to make, use, sell and offer to sell in the United States video games that infringe the asserted patents.

71. EA is a publisher and developer of numerous video games. Upon information and belief, several of the video games that EA publishes and/or distributes, sells and offers to sell infringe one or more of the claims of the patents-in suit.

72. EA's video games including at least, Apex Legends and Anthem, (collectively, "Accused Video Games") infringe at least one claim of one or more of the asserted patents.

73. On information and belief, further discovery may reveal additional infringing Accused Products.

74. Defendant's acts of infringement have damaged Plaintiff. Plaintiff is entitled to recover from Defendant the damages Plaintiff incurred and is continuing to incur as a result of Defendant's wrongful acts, including a reasonable royalty.

Count I - Infringement of United States patent number 7,593,864

75. SIV repeats, realleges, and incorporates by reference, as if fully set forth here, the allegations of the preceding paragraphs, as set forth above.

76. EA has had actual knowledge of the '864 patent at least since the filing of this lawsuit.

77. Defendant has infringed and continues to infringe in violation of 35 U.S.C. § 271(a) one or more claims of the '864 patent by making, using, selling, offering for sale, or importing into the United States products that infringe the '864 patent. The accused products that infringe one or more claims of the '864 patent include, but are not limited to, Apex Legends.

78. Upon information and belief, the Apex Legends video game uses virtual property ownership management technology as described in the '864 patent.

79. Upon information and belief, EA video games, including but not limited to Apex Legends, having virtual property ownership management technology infringe each and every element of at least, claims 1 and 7 of the '864 patent, literally or under the doctrine of equivalents.

80. Upon information and belief, discovery may reveal additional infringing products or product features.

81. Claim 1 of the '864 patent covers:

1. A method for managing virtual properties that exist solely in a virtual form within a computer network and that have no physical counterparts, comprising:

providing virtual properties configured for use in a computer game operable in a memory of a game server, said virtual properties existing solely in virtual form within a computer network;

assigning ownership of the virtual properties to a plurality of property owners participating in the computer game, said ownership configured through said computer game such that said property owners are permitted

to use said virtual properties in said computer game but are not permitted to possess a digital copy of any of said virtual properties;

maintaining an inventory of said virtual properties in a centralized database accessible by said property owners via a network connection;

allowing said property owners to transfer ownership of their respective virtual properties via said network connection; and

maintaining updated records regarding ownership of said virtual properties in said centralized database wherein said step of allowing said property owners to transfer ownership comprises allowing at least one of said property owners to win one of said virtual properties from another property owner in the course of a game.

82. Upon inspection, and information and belief, and by way of example, the video game Apex Legends discussed below, meets each and every limitation of claim 1 of the '864 patent enumerated above.

83. On information and belief, the Apex Legends video game provides “virtual properties configured for use in a computer game operable in a memory of a game server, said virtual properties existing solely in virtual form within a computer network.”

84. More particularly, on information and belief, Apex Legends is an online game with virtual property that has no physical counterparts. Additionally, on information and belief, Apex Legends provides virtual properties configured for use in a computer game operable in the memory of a game server.

85. On information and belief, Apex Legends assigns “ownership of the virtual properties to a plurality of property owners participating in the computer game, said ownership configured through said computer game such that said property

owners are permitted to use said virtual properties in said computer game but are not permitted to possess a digital copy of any of said virtual properties.”

86. On information and belief, players of the Apex Legends video game are assigned ownership of virtual property, as evidenced by the player’s inventory:



87. On information and belief, according to the terms and conditions of the Apex Legends video game, players of the game are permitted to use this virtual property, but are not permitted to possess a digital copy of that property:

3. Content and Entitlements

The EA Services include Content and Entitlements. Content is the software, technology, text, forum posts, chat posts, profiles, widgets, messages, links, emails, music, sound, graphics, pictures, video, code, and all audio visual or other material appearing on or emanating to or from EA Services, as well as the design and appearance of our websites. Content also includes user-generated Content ("UGC"). UGC includes EA Account personas, forum posts, profile content and other Content contributed by users to EA Services. All Content is either owned by EA or its licensors, or is licensed to EA and its licensors pursuant to Section 5 below.

Entitlements are rights that EA licenses to you to access or use the online or off-line elements of EA Services. Examples of Entitlements include access to digital or unlockable Content additional or enhanced functionality (including multiplayer services); subscriptions; virtual assets; unlock keys or codes; serial codes or online authentication; in-game achievements; virtual points, coins, or currencies.

We refer to these virtual points, coins or currencies as "EA Virtual Currency". When you obtain EA Virtual Currency from us or our authorized partners, you receive a personal, limited, non-assignable, non-exclusive, revocable license to access and select the Entitlements that EA expressly makes available to you.

EA Virtual Currency has no monetary value and has no value outside of our products and services. EA Virtual Currency cannot be sold, traded, transferred, or exchanged for cash; It only may be redeemed for Entitlements available for the EA Service. EA Virtual Currency is non-refundable, and you are not entitled to a refund for any unused EA Virtual Currency. Once you redeem EA Virtual Currency for an Entitlement, that Entitlement is not returnable, exchangeable, or refundable. If you live in Japan, you agree to use any EA Virtual Currency within 180 days from the date of purchase.

88. On information and belief, Apex Legends maintains “an inventory of said virtual properties in a centralized database accessible by said property owners via a network connection.”

89. On information and belief, one or more of EA’s servers maintains a virtual inventory of the virtual property in a centralized database:

Source Multiplayer Networking

Multiplayer games based on the Source Engine use a Client-Server networking architecture. Usually a server is a dedicated host that runs the game and is authoritative about world simulation, game rules, and player input processing. A client is a player’s computer connected to a game server. The client and server communicate with each other by sending small data packets at a high frequency (usually 20 to 30 packets per second). A client receives the current world state from the server and generates video and audio output based on these updates. The client also samples data from input devices (keyboard, mouse, microphone, etc.) and sends these input samples back to the server for further processing. Clients only communicate with the game server and not between each other (like in a peer-to-peer application). In contrast with a single player game, a multiplayer game has to deal with a variety of new problems caused by packet-based communication.

Such a database is assessable via a network connection:

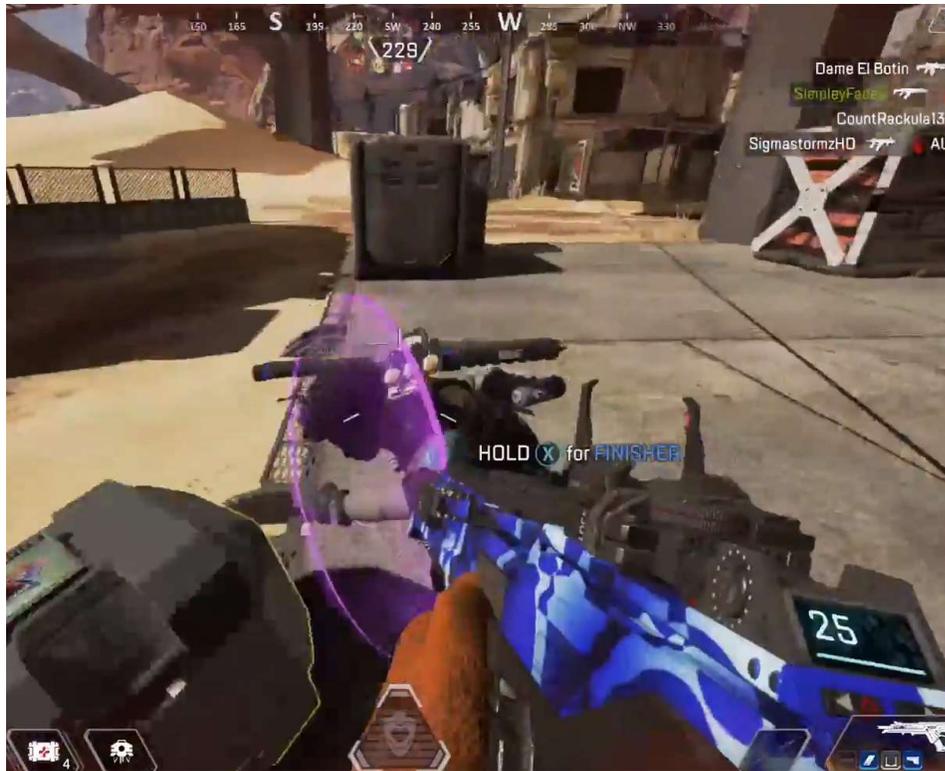
Source Multiplayer Networking

Multiplayer games based on the Source Engine use a Client-Server networking architecture. Usually a server is a dedicated host that runs the game and is authoritative about world simulation, game rules, and player input processing. A client is a player’s computer connected to a game server. The client and server communicate with each other by sending small data packets at a high frequency (usually 20 to 30 packets per second). A client receives the current world state from the server and generates video and audio output based on these updates. The client also samples data from input devices (keyboard, mouse, microphone, etc.) and sends these input samples back to the server for further processing. Clients only communicate with the game server and not between each other (like in a peer-to-peer application). In contrast with a single player game, a multiplayer game has to deal with a variety of new problems caused by packet-based communication.

90. On information and belief, Apex Legends allows “said property owners to transfer ownership of their respective virtual properties via said network connection.”

91. On information and belief, the Apex Legends video game includes functionality whereby virtual property is transferable between owners, as evidenced by the ability to pick up the loot boxes of slain players’ characters.

92. For example, in the Apex Legends screenshot below, the first-person player is aiming a weapon at a second player:



Next, the first-person player shoots at the second player, and kills them, this action causes the game to create a “loot box” that falls on the ground in the spot where the second player was killed:



The first-person player can then access the contents of the slain second player's loot box and take ownership of the virtual items contained inside it:



93. On information and belief, Apex Legends maintains “updated records regarding ownership of said virtual properties in said centralized database wherein said step of allowing said property owners to transfer ownership comprises allowing at least one of said property owners to win one of said virtual properties from another property owner in the course of a game.”

94. On information and belief, Apex Legends includes property transfers as a result of slaying opponents' characters, such that the resulting property transfer is the result of “allowing at least one of said property owners to win one of said virtual properties from another property owner in the course of a game.”

95. Accordingly, as set forth in paragraphs 82-94, EA's Apex Legends video game infringes each and every element of at least claim 1 of the '864 patent, literally or under the doctrine of equivalents.

96. On information and belief, and for the purposes of 35 U.S.C. § 271(b), at least since its post-filing knowledge of the '864 Patent, EA knows that the acts EA induces customers and resellers to take with respect to at least Apex Legends constitute patent infringement and EA's encouraging acts result in direct infringement by customers and resellers.

97. On information and belief, EA instructs and continues to instruct customers and resellers to sell and use EA's infringing video games, including Apex Legends, through EA's websites and its customer service centers, which provide support for using these products.

98. EA's customers directly infringe one or more of the claims of the '864 patent through their use of Apex Legends and other EA video games.

99. EA's resellers directly infringe one or more of the '864 patent through their use, sale and offer for sale of Apex Legends and other EA video games.

100. On information and belief, EA is in violation of 35 U.S.C. § 271(b) and has been, at least since its post-filing knowledge of the '864 patent, indirectly infringing and continues to indirectly infringe one or more of claims of the '864 patent by knowingly and specifically intending to induce infringement by others (including, without limitation, EA's customers and resellers) and possessing specific intent to encourage infringement by EA's customers and resellers. EA's video games are specifically

configured to function in accordance with the '864 patent according to the claims, are material parts of the invention, and do not have substantial non-infringing uses.

101. Defendant's infringement of the '864 patent has damaged Plaintiff, and Plaintiff is entitled to recover from EA the damages it has sustained as a result of EA's wrongful acts including, but not limited to, a reasonable royalty.

Count II - Infringement of United States patent number 8,516,473

102. SIV repeats, realleges, and incorporates by reference, as if fully set forth here, the allegations of the preceding paragraphs, as set forth above.

103. EA has had actual knowledge of the '473 patent at least since the filing of this lawsuit.

104. Defendant has infringed and continues to infringe in violation of 35 U.S.C. § 271(a) one or more claims of the '473 patent by making, using, selling, offering for sale, or importing into the United States products that infringe the '473 patent. The accused products that infringe one or more claims of the '473 patent include, but are not limited to, Apex Legends and Anthem.

105. On information and belief, each of the above-listed video games have, or are used with, Limited Functionality Object conversion technology.

106. On information and belief, EA's video games, including but not limited to Apex Legends and Anthem, having Limited Functionality Object conversion technology infringe each and every element of, at least, claims 1, 13, 14, 16, 24, and 25 of the '473 patent, literally or under the doctrine of equivalents.

107. On information and belief, discovery may reveal additional infringing products or product features.

108. Claim 1 of the '473 patent covers:

1. A method, comprising:

receiving, by a first computer, a limited functionality object from a second computer;

rendering, by the first computer, the limited functionality object in a program running on the first computer, wherein the rendering comprises outputting the limited functionality object in a virtual environment on the first computer;

interacting, by the first computer, with the limited functionality object in a first manner but not a second manner, wherein the first manner is different from the second manner; and

converting, while running the program on the first computer, the limited functionality object to a fully functional object to interact with the fully functional object in the first manner and the second manner, wherein the converting comprises requesting an additional functionality object from the second computer and modifying the limited functionality object to include the additional functionality object to convert the limited functionality object to the fully functional object.

109. Upon inspection, and information and belief, and by way of example, the Apex Legend and Anthem video games, meet each and every limitation of claim 1 of the '473 patent enumerated above.

110. On information and belief, Apex Legends and Anthem executes on a first computer and receives a Limited Functionality Object from a second computer.

111. On information and belief, Apex Legends and Anthem are configured to operate through a client-server model.¹⁹

112. On information and belief, Apex Legends includes Limited Functionality Objects (hereinafter “LFOs”), including but not limited to Apex Legends Game Character LFOs and Apex Legends Weapon LFOs Apex , (collectively referred to hereinafter “Apex Legends LFOs”). Upon information and belief, under the client-server framework, Apex Legends LFOs are received by first computer from a second computer.

113. On information and belief, Anthem includes LFOs, including but not limited to Anthem Javelin LFOs, Anthem Loadout LFOs, Anthem Vinyl LFOs, Anthem Appendage LFOs, Anthem Armor LFOs, Anthem Wrap LFOs, Anthem Fabric LFOs, and Anthem Weapon LFOs, (collectively referred to hereinafter “Anthem LFOs”). Upon information and belief, under the client-server framework, Anthem LFOs are received by first computer from a second computer.

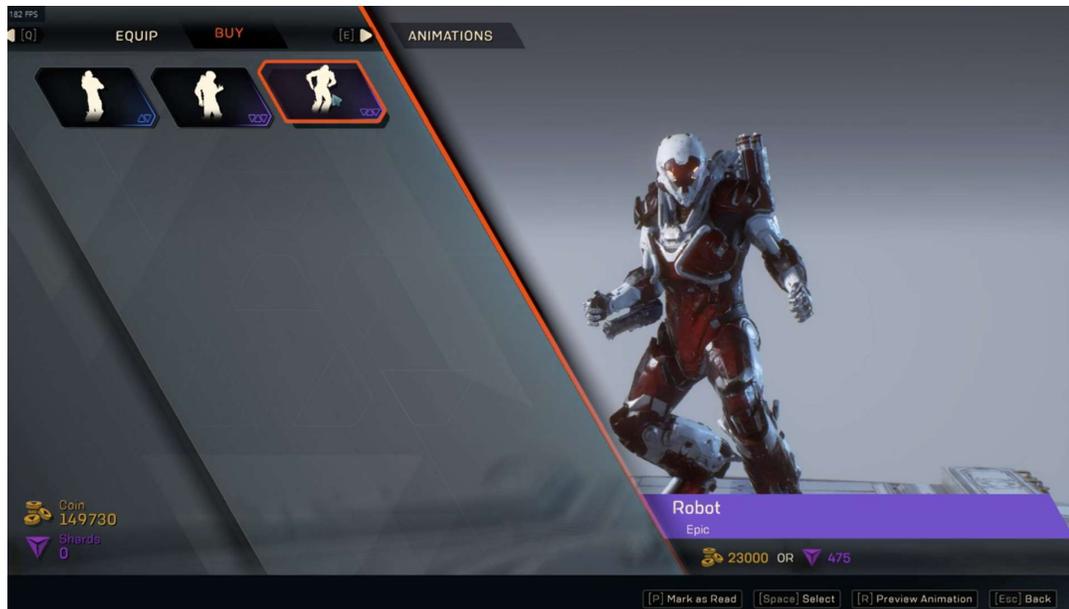
114. On information and belief, Apex Legends and Anthem render, on a first computer the LFOs “wherein the rendering comprises outputting the limited functionality object in a virtual environment on the first computer.”

¹⁹ See, e.g., https://developer.valvesoftware.com/wiki/Source_Multiplayer_Networking.

115. On information and belief, the Apex Legends video game renders Apex Legends LFOs on a first computer in a virtual environment, as demonstrated at least, for example, by the following image:



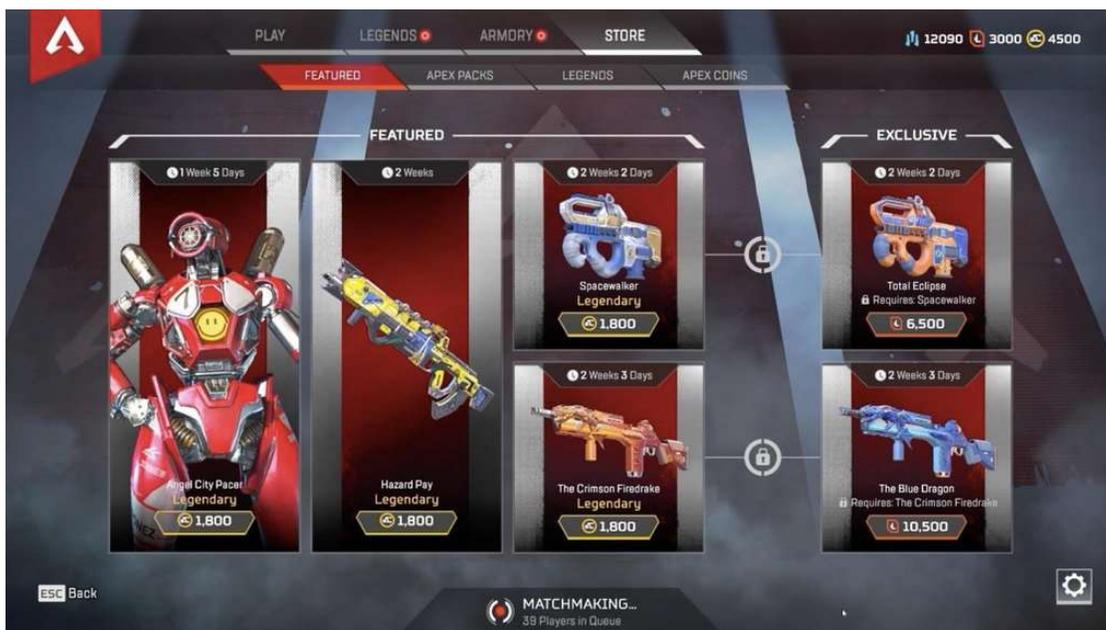
116. Additionally, for example, on information and belief, the Anthem video game renders Anthem LFOs on a first computer in a virtual environment:



117. On information and belief, the Apex Legends and Anthem video games execute on a first computer to interact “with the limited functionality object in a first manner but not a second manner, wherein the first manner is different from the second manner.”

118. For example, on information and belief, interacting with the personalization options for Apex Legend’s characters, including but not limited to character skins and weapons, is “interacting, by the first computer, with the limited functionality object in a first manner.”

119. Examples of Apex Legends game features that are available for interaction in the second manner can include the following:



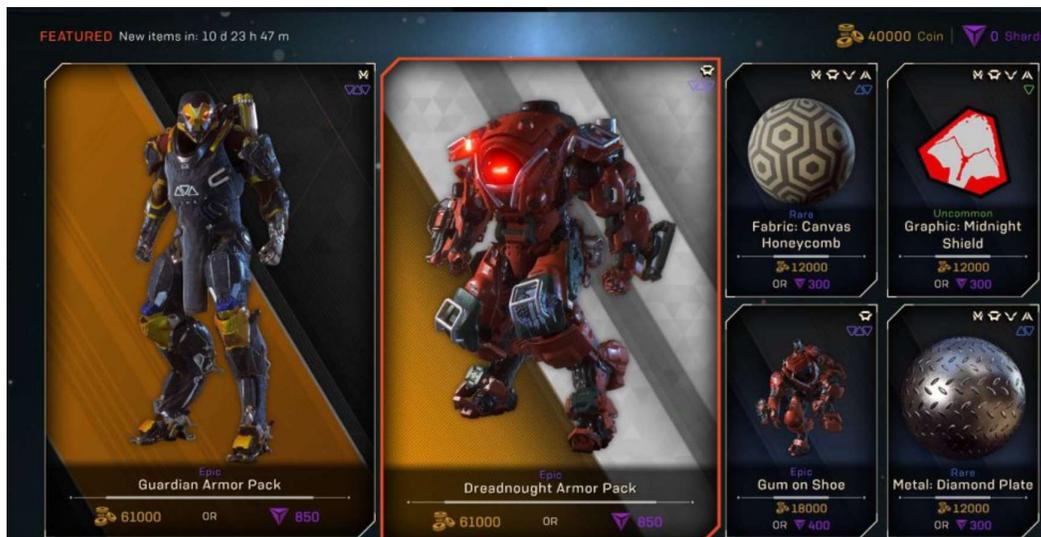
120. Additionally, for example and on information and belief, perusing and interacting the personalization options for Anthem characters, including but not limited

to character skins and weapons, is “interacting, by the first computer, with the limited functionality object in a first manner.”²⁰



Id.

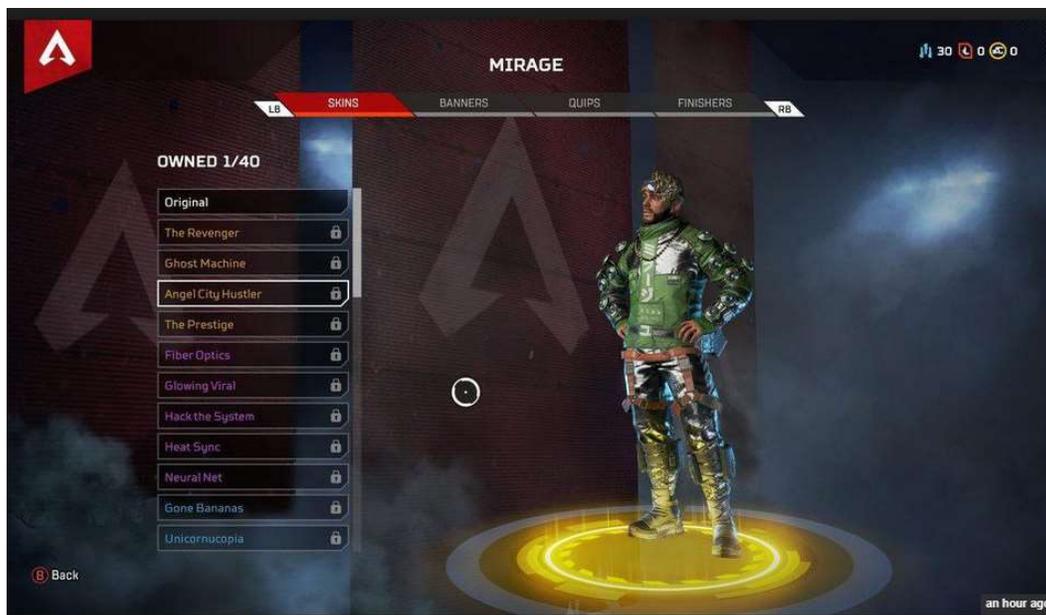
121. Examples of Anthem LFOs available for interaction in the second manner can include the following:



²⁰ See <https://www.ea.com/games/anthem/news/anthem-javelin-personalization>

122. On information and belief, the Apex Legends and Anthem video games convert while running “on the first computer, the limited functionality object to a fully functional object to interact with the fully functional object in the first manner and the second manner, wherein the converting comprises requesting an additional functionality object (“AFO”) from the second computer and modifying the limited functionality object to include the additional functionality object to convert the limited functionality object to the fully functional object.”

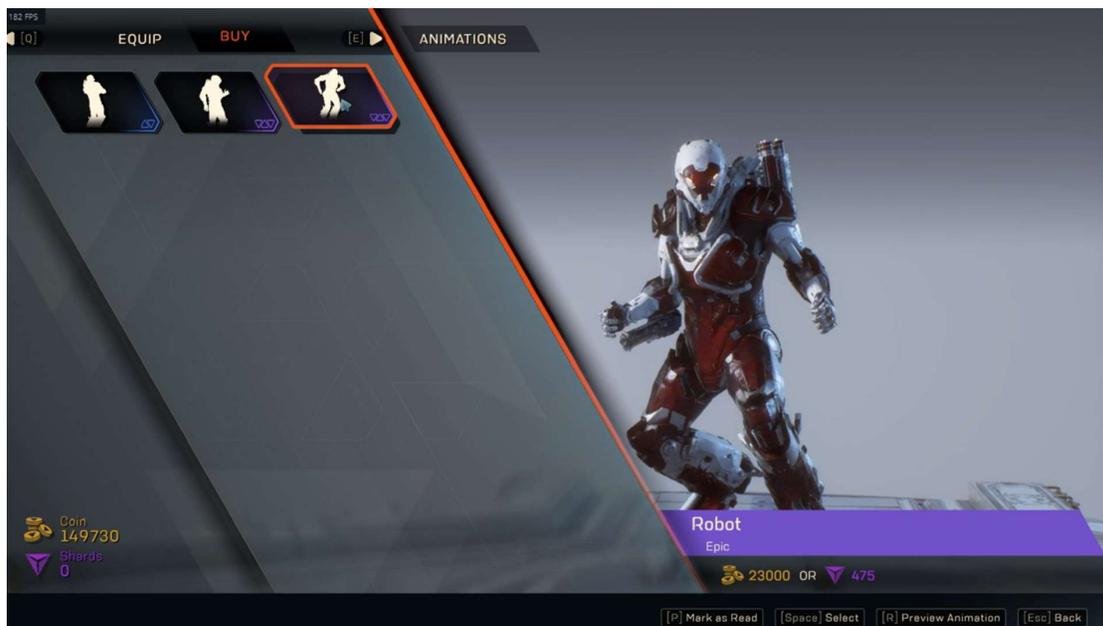
123. On information and belief, for example, within the Apex Legends video game, a user has the ability to preview and interact with an Apex Legends Character LFO (Mirage) and an Apex Legend Skin AFO (Angel City Hustler), as seen in the image below:



Once unlocked, the Apex Legends Skin AFO is added to and modifies the Apex Legend Character LFO to create a Fully Functional Object, (a “FFO”), which, in a second manner, can be controlled and used during actual gameplay. On information and

belief, such conversion occurs while running the Apex legends video game on the first computer.

124. Additionally, on information and belief, within the Anthem video game, a user has the ability to preview and interact with various Anthem Javelin LFOs, as seen in the images below:



125. For example, once unlocked, the Anthem Armor AFO is added to and modifies the Anthem Javelin LFO to create a Fully Functional Object, (a “FFO”), which can be controlled and used during actual gameplay. On information and belief, such conversion occurs while running the Anthem video game on the first computer.

126. Accordingly, as set forth in paragraphs 109-125, Apex Legends and Anthem infringe each and every element of, at least, claim 1 of the ’473 patent, literally or under the doctrine of equivalents.

127. On information and belief, and for the purposes of 35 U.S.C. § 271(b), at least since its post-filing knowledge of the ’473 patent, EA knows that the acts EA induces customers and resellers to take constitute patent infringement, and EA’s encouraging acts result in direct infringement by customers and resellers.

128. On information and belief, EA instructs and continues to instruct customers and resellers to sell and use Apex Legends and Anthem including, without limitation, through EA’s websites, which provide support for using these products.

129. EA’s customers directly infringe one or more of the claims of the ’473 patent through their use of Apex Legends and Anthem.

130. EA’s resellers directly infringe one or more of the ’473 patent through their use, sale and offer for sale of Apex Legends and Anthem.

131. On information and belief, EA is in violation of 35 U.S.C. § 271(b) and has been, at least since its post-filing knowledge of the ’473 patent, indirectly infringing and continues to indirectly infringe one or more of claims of the ’473 patent by knowingly and specifically intending to induce infringement by others (including, without

limitation, EA's customers and resellers) and possessing specific intent to encourage infringement by EA's customers and resellers. EA's video games are configured specifically to function in accordance with the '473 patent claims, are material parts of the invention, and do not have substantial non-infringing uses.

132. Defendant's infringement of the '473 patent has damaged Plaintiff, and Plaintiff is entitled to recover from EA the damages it has sustained as a result of EA's wrongful acts including, but not limited to, a reasonable royalty.

PRAYER FOR RELIEF

Plaintiff respectfully requests this Court to enter the following legal and equitable relief in Plaintiff's favor and against Defendant as a result of Defendant's infringing conduct:

- a. A judgment that Defendant has directly infringed, either literally or under the doctrine of equivalents, one or more claims of the asserted patents under 35 U.S.C. § 271(a);
- b. A judgment that Defendant has indirectly infringed, either literally or under the doctrine of equivalents, one or more claims of the asserted patents under 35 U.S.C. § 271(b);
- c. A judgment that awards Plaintiff all appropriate damages under 35 U.S.C. § 284 for Defendant's past infringement, and any continuing or future infringement of the asserted patents, including pre- or post-judgment interest, costs, and disbursements as justified under 35 U.S.C. § 284.

- d. Declare this case exceptional and award SIV its reasonable attorneys' fees as the prevailing party as provided by 35 U.S.C. § 285.
- e. Such other and further relief as the Court deems just and proper.

Jury Demand

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff demands a trial by jury.

Dated: September 13, 2019

Respectfully submitted,

/s/Raymond W. Mort, III
Raymond W. Mort, III
Texas State Bar No. 00791308
raymort@austinlaw.com
THE MORT LAW FIRM, PLLC
100 Congress Avenue, Suite 2000
Austin, Texas 78701
Tel/Fax: 512-865-7950

Of Counsel:
Ronald M. Daignault (*pro hac vice* to be filed)
Chandran B. Iyer (*pro hac vice* to be filed)
Oded Burger (*pro hac vice* to be filed)
rdaignault@goldbergsegalla.com
ciyer@goldbergsegalla.com
oburger@goldbergsegalla.com
GOLDBERG SEGALLA LLP
711 Third Avenue, Suite 1900
New York, New York 10017
Telephone: (646) 292-8700

Richard Juang (*pro hac vice* to be filed)
rjuang@goldbergsegalla.com
GOLDBERG SEGALLA LLP
8000 Maryland Avenue, Suite 640
St. Louis, Missouri 63105
Telephone: (314) 446-3367

Attorneys for Plaintiff