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16 Attorneys for Plaintiff  
17 MULTIMEDIA PATENT TRUST

18 UNITED STATES DISTRICT COURT  
19 SOUTHERN DISTRICT OF CALIFORNIA

20 MULTIMEDIA PATENT TRUST, a Delaware  
21 statutory trust,

22 Plaintiff,

23 v.

24 APPLE INC., a California corporation,  
25 CANON, INC., a Japanese corporation,  
26 CANON U.S.A., INC., a New York corporation,  
27 LG ELECTRONICS, INC., a Korean  
28 corporation, LG ELECTRONICS U.S.A., INC.,  
a Delaware corporation, LG ELECTRONICS  
MOBILECOMM U.S.A., INC., a California  
corporation, TIVO, INC., a Delaware  
corporation,

Defendants.

CASE NO. '10CV2618 JLS RBB

COMPLAINT FOR PATENT  
INFRINGEMENT

DEMAND FOR JURY TRIAL

1 **COMPLAINT**

2 Plaintiff Multimedia Patent Trust (“MPT”) for its complaint against Defendants Apple Inc.  
3 (“Apple”); Canon, Inc. and Canon U.S.A., Inc. (“Canon U.S.A.”) (collectively “Canon”); LG  
4 Electronics, Inc., LG Electronics U.S.A., Inc. (“LG U.S.A.”) and LG Electronics MobileComm  
5 U.S.A., Inc. (“LG MobileComm”) (collectively “LG”); and TiVo, Inc. (“TiVo”) (all collectively  
6 “Defendants”), hereby demands a jury trial and alleges as follows:

7 **Jurisdiction and Venue**

8 1. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. §§  
9 1331 and 1338(a).

10 2. Venue is established in this judicial district pursuant to 28 U.S.C. §§ 1391(c) and  
11 1400(b).

12 **Nature of the Action**

13 3. This is a civil action for infringement of United States Patent Nos. 4,958,226;  
14 5,136,377; 5,227,878 and 5,500,678 (the “Patents-in-Suit”). This action is based upon the Patent  
15 Laws of the United States, 35 U.S.C. § 1 et seq.

16 **Parties**

17 4. Plaintiff Multimedia Patent Trust is a Delaware statutory trust under the Delaware  
18 Statutory Trust Act, 12 Del. Code title 12 §§ 3801, et seq.

19 5. On information and belief, Defendant Apple is incorporated under the laws of the  
20 state of California, having its principal place of business at 1 Infinite Loop, Cupertino, California  
21 95014. Apple products accused of infringement in this Complaint are and have been offered for  
22 sale and sold in this and other judicial districts for a period not yet known but continuing to this  
23 date. Further, on information and belief, Apple operates one or more retail establishments in this  
24 judicial district through which it sells the accused Apple products.

25 6. On information and belief, Defendant Canon, Inc. is incorporated under the laws of  
26 Japan, having its principal place of business in Tokyo, Japan. On information and belief, Canon,  
27 Inc. manufactures the products alleged to infringe herein and controls the decision of Canon  
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1 U.S.A. to infringe or license the patents herein as an agent of the principal parent corporation,  
2 Canon, Inc.

3 7. On information and belief, Defendant Canon U.S.A. is incorporated under the laws  
4 of the state of New York, having its principal place of business at One Canon Plaza, Lake Success,  
5 NY 11042. Canon U.S.A.'s products accused of infringement in this Complaint are and have been  
6 offered for sale and sold in this and other judicial districts for a period not yet known but  
7 continuing to this date.

8 8. On information and belief, Canon, Inc. and its agent Canon U.S.A. (collectively  
9 "Canon") have and continue to collaborate in the manufacture, marketing and sale, in the United  
10 States, of the Canon products accused of infringement in this Complaint.

11 9. On information and belief, Defendant LG Electronics, Inc. is incorporated under  
12 the laws of the Republic of Korea, having its principal place of business in Seoul, Republic of  
13 Korea. On information and belief, LG Electronics, Inc. manufactures the products alleged to  
14 infringe herein and controls the decisions of LG U.S.A. and LG Mobilecomm to infringe or  
15 license the patents herein as agents of the principal parent corporation, LG Electronics, Inc.

16 10. On information and belief, Defendant LG U.S.A. is incorporated under the laws of  
17 the state of Delaware, having its principal place of business at 1000 Sylvan Avenue, Englewood  
18 Cliffs, NJ 07632. LG U.S.A.'s products accused of infringement in this Complaint are and have  
19 been offered for sale and sold in this and other judicial districts for a period not yet known but  
20 continuing to this date. On information and belief, LG USA operates marketing and/or  
21 distribution facilities in this judicial district.

22 11. On information and belief, Defendant LG MobileComm is incorporated under the  
23 laws of the state of California, having its principal place of business in this judicial district at  
24 10101 Old Grove Rd, San Diego, CA 92131. LG MobileComm's products accused of  
25 infringement in this Complaint are and have been offered for sale and sold in this and other  
26 judicial districts for a period not yet known but continuing to this date.

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1 video compression, however, is assuring that the video image ultimately reproduced from the  
2 reduced amount of digital data is of sufficient quality.

3 18. A video signal is encoded (compressed) prior to being transmitted over a medium  
4 or before it is stored on a medium. When the video signal is read off the storage medium or is  
5 received at the other end, it is decoded (decompressed) to recreate either the original signal or, in  
6 the case of a lossy compression technique (by which certain unnecessary bits of data are  
7 eliminated), a close approximation of the original signal. When encoding a video, the video signal  
8 is processed using a variety of techniques that reduce the amount of data, such as transformation,  
9 quantization, motion-compensated prediction and variable length encoding.

10 19. Lucent, and its predecessor AT&T, Inc., through their research arm Bell Labs, have  
11 a long history of research and development in the area of video compression. The Patents-in-Suit  
12 claim apparatus and methods, developed at Bell Labs, for the encoding and decoding of video data  
13 which are used in software and devices supporting various international standards, including  
14 MPEG-2, MPEG-4, Part 2, H.263 and MPEG-4, Part 10 (H.264) video coding. Lucent  
15 transferred, assigned, conveyed, delivered and vested to MPT all of Lucent's interests and rights in  
16 the Patents-in-Suit in all countries and jurisdictions, along with the right to sue for past  
17 infringement (including all current and future claims and causes of action).

18 20. On September 18, 1990, the United States Patent and Trademark Office  
19 ("USPTO") issued U.S. Patent No. 4,958,226 ("the '226 Patent") to Barin G. Haskell and Atul  
20 Puri for their invention entitled "Conditional Motion Compensated Interpolation of Digital Motion  
21 Video." On September 1, 2009, the USPTO issued a reexamination certificate confirming the  
22 patentability of Claim 12 of the '226 patent, the only claim reexamined. MPT is now sole owner  
23 of the '226 patent. A copy of the '226 Patent and the Ex Parte Reexamination Certificate are  
24 attached hereto as Exhibit A.

25 21. On August 4, 1992, the USPTO issued U.S. Patent No. 5,136,377 ("the '377  
26 Patent") to James D. Johnston, Scott C. Knauer, Kim N. Matthews, Arun N. Netravali, Eric D.  
27 Petajan, Robert J. Safranek, and Peter H. Westerink for their invention entitled "Adaptive Non-

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1 Linear Quantizer.” MPT is now sole owner of the ‘377 patent. A copy of the ‘377 Patent is  
2 attached hereto as Exhibit B.

3 22. On July 13, 1993, the USPTO issued U.S. Patent No. 5,227,878 (“the ‘878 Patent”)  
4 to Atul Puri and Rangarajan Aravind for their invention entitled “Adaptive Coding and Decoding  
5 of Frames and Fields of Video.” MPT is now sole owner of the ‘878 patent. On September 27,  
6 2005, the USPTO issued a Certificate of Correction for the ‘878 patent. A copy of the ‘878 Patent  
7 and its Certificate of Correction are attached hereto as Exhibit C.

8 23. On March 19, 1996, the USPTO issued U.S. Patent No. 5,500,678 (“the ‘678  
9 Patent”) to Atul Puri for his invention entitled “Optimized Scanning of Transform Coefficients in  
10 Video Coding.” MPT is now sole owner of the ‘678 patent. On May 29, 2007, the USPTO issued  
11 a Certificate of Correction for the ‘678 patent. A copy of the ‘678 Patent and its Certificate of  
12 Correction are attached hereto as Exhibit D.

### 13 COUNT I

#### 14 (Patent Infringement Against Apple)

15 24. Paragraphs 1 through 23 are incorporated by reference as if stated fully herein.

16 25. Apple continues to make, have made, use, sell, and offer for sale in the United  
17 States, and import into the United States, computers and computing devices, computer software,  
18 wireless telephones, and portable digital music players, which are capable of encoding and  
19 decoding digital video.

20 26. These Apple products can encode and decode video in compliance with a variety of  
21 standards promulgated by the International Organization for Standardization (ISO) and the  
22 International Telecommunications Union (ITU), including MPEG-2, MPEG-4, Part 2, and H.264.  
23 The ability to encode and/or decode video images in these formats are included, via Apple’s built-  
24 in QuickTime system, in Apple’s laptop computers, desktop computers, and other computing  
25 devices, including its MacBook, MacBook Pro, MacBook Air, iMac, Mac Mini, iPad and Mac Pro  
26 lines of computers; are included in separately sold Apple software or software suites, including  
27 Final Cut Studio, Final Cut Express, Final Cut Pro, Final Cut Server, iLife, QuickTime X,  
28 QuickTime Player, QuickTime Pro, and iTunes; are found in Apple’s Apple TV device; and are

1 found in Apple's wireless telephones and portable digital music players, including the iPhone 3G,  
2 iPhone 3GS, iPhone 4, the 5<sup>th</sup> and 6<sup>th</sup> generations of the iPod, the 3<sup>rd</sup>, 4<sup>th</sup>, and 5<sup>th</sup> generations of the  
3 iPod Nano, and all versions of the iPod Touch.

4 27. Apple's products, including but not limited to the MacBook, MacBook Pro,  
5 MacBook Air, iMac, Mac Mini, iPad, Mac Pro, Final Cut Studio, Final Cut Express, Final Cut  
6 Pro, Final Cut Server, iLife, QuickTime X, QuickTime Player, QuickTime Pro, iTunes, Apple TV,  
7 iPhone 4, and the iPod Touch (4<sup>th</sup> Gen), by virtue of the manner in which they encode and/or  
8 decode video, infringe one or more claims of the '226 patent.

9 28. Apple's products, including but not limited to the MacBook, MacBook Pro,  
10 MacBook Air, iMac, Mac Mini, Mac Pro, Final Cut Studio, Final Cut Express, Final Cut Pro,  
11 Final Cut Server, iLife, QuickTime X, QuickTime Pro, iPhone 3GS, iPhone 4, iPod Nano (5<sup>th</sup>  
12 Gen), and the iPod Touch (4<sup>th</sup> Gen), by virtue of the manner in which they encode video, infringe  
13 one or more claims of the '377 patent.

14 29. Apple's products, including but not limited to the MacBook, MacBook Pro,  
15 MacBook Air, iMac, Mac Mini, iPad, Mac Pro, Final Cut Studio, Final Cut Express, Final Cut  
16 Pro, Final Cut Server, iLife, QuickTime X, QuickTime Player, QuickTime Pro, iTunes, Apple TV,  
17 iPhone 3G, iPhone 3GS, iPhone 4, iPod (5<sup>th</sup> and 6<sup>th</sup> Gen), iPod Nano (3<sup>rd</sup> -5<sup>th</sup> Gen), and the iPod  
18 Touch (1<sup>st</sup>-4<sup>th</sup> Gen), by virtue of the manner in which they encode and/or decode video, infringe  
19 one or more claims of the '878 patent.

20 30. Apple, therefore, by making, having made, offering for sale, selling and/or  
21 importing its video-capable products, has been and still is directly infringing, contributorily  
22 infringing, and/or inducing others to infringe each of the MPT Patents identified above in  
23 paragraphs 27-29. Apple will continue to infringe unless enjoined by this court.

24 31. As a result of Apple's infringement of the above-identified patents, MPT is entitled  
25 to a reasonable royalty on all video-capable products sold by Apple that embody an apparatus  
26 claimed by those patents.

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1           37. Canon's products, including but not limited to the VIXIA line of HD camcorders,  
2 the PIXELA ImageMixer 3SE video processing software distributed with each VIXIA HD  
3 camcorder, the DW-100 DVD Burner, the FS series digital camcorders, the DC series DVD  
4 camcorders, the Roxio MyDVD video processing software distributed with each DC series DVD  
5 camcorder, the Optura line of digital camcorders, Canon's professional line of HD camcorders, the  
6 PowerShot line of digital still cameras, and the EOS line of digital SLR cameras, by virtue of the  
7 manner in which they encode video, infringe one or more claims of the '377 patent.

8           38. Canon's products, including but not limited to the VIXIA line of HD camcorders,  
9 the PIXELA ImageMixer 3SE video processing software distributed with each VIXIA HD  
10 camcorder, the DW-100 DVD Burner, the Roxio MyDVD video processing software distributed  
11 with each DC series DVD camcorder, the Optura line of digital camcorders, the PowerShot line of  
12 digital still cameras, and the EOS line of digital SLR cameras, by virtue of the manner in which  
13 they encode and/or decode video, infringe one or more claims of the '878 patent.

14           39. Canon's products, including but not limited to the VIXIA line of HD camcorders,  
15 by virtue of the manner in which they encode video, infringe one or more claims of the '678  
16 patent.

17           40. Canon, therefore, by the importing, offering for sale and selling of its video-capable  
18 products, has been and still is directly infringing, contributorily infringing and/or inducing others  
19 to infringe, each of the MPT patents identified above in paragraphs 36-39. Canon will continue to  
20 infringe unless enjoined by this court.

21           41. As a result of Canon's infringement of the above-identified patents, MPT is entitled  
22 to a reasonable royalty on all camcorder, camera and related products sold by Canon that embody  
23 an apparatus or practice a method claimed by those patents.

24           42. Canon's infringement of the MPT patents has caused and will continue to cause  
25 MPT and its existing licensees substantial and irreparable injury for which MPT is entitled to  
26 receive injunctive relief and damages adequate to compensate it for such infringement.

27           43. Canon has had actual knowledge of the apparatus claims of the '226, '377, '878  
28 and '678 patents since no later than March 19, 2007 when MPT notified Canon of its infringement

1 of the Patents-in-Suit. Despite such knowledge, Canon has refused to take a license and continues  
2 to infringe the patents willfully and deliberately in disregard of MPT's patent rights.

3 **COUNT III**

4 **(Patent Infringement Against LG)**

5 44. Paragraphs 1 through 23 are incorporated by reference as if stated fully herein.

6 45. LG continues to offer to sell and sell in the United States, and import into the  
7 United States, cellular telephones having the ability to encode and decode video. LG's video-  
8 capable cellular telephones accused of infringement by this Complaint, including, but not limited  
9 to the Ally (V5740), Apex (US740), Axis (LGAS740), Banter Touch (UN510), Bliss (UX700),  
10 Chocolate (VX8500), Chocolate (VX8550), Chocolate 3 (VX8560), Chocolate Touch (VX8575),  
11 Dare (VX9700), Decoy (VX8610), Encore (GT550), EnV (VX9900), enV Touch (VX11000),  
12 EnV2 (VX9100), EnV3 (VX9200), eXpo (GW820), Fathom (VS750), Force (LX370), Glimmer  
13 (AX830), Incite (CT810), Invision (CB630), Lotus (LX600), Muziq (LX570), Neon (GT365),  
14 Neon II (GW370), Octane (VN530), Optimus (P509), Optimus M (MS690), Optimus S (LS670),  
15 Quantum (C900), Prime (GS390), Rhythm (AX585), Rhythm (UX585), Rumor (LX260), Scoop  
16 (AX260), Shine (CU720), Spyder (LG830), Spyder II (LG840), Swift (AX500), Trax (CU575),  
17 Tritan (AX840), Tritan (UX840), Venus (VX8800), Versa (VX9600), Vortex (VS660), Voyager  
18 (VX10000), Vu (CU915), Vu (CU920), Wave (AX380), Xenon (GR500), AX565, AX8600,  
19 CF360, CU500v, CU515, LG260, LG380, LX400, UX380, VX8350, VX8360, VX8700, VX9400,  
20 can variously encode and decode video in compliance with a variety of standards promulgated by  
21 the International Organization for Standardization (ISO) and the International  
22 Telecommunications Union (ITU), including MPEG-4, Part 2, H.263 and H.264.

23 46. LG's video-capable cellular telephones, including, but not limited to, those  
24 identified above in paragraph 45, by virtue of the manner in which they encode and/or decode  
25 video, infringe one or more claims of the '377 and '878 patents.

26 47. LG, therefore, by the importing, offering to sell and selling of its video-capable  
27 cellular telephones has been and still is directly infringing and/or inducing others to infringe each  
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1 of the MPT patents identified above in paragraph 46. LG will continue to infringe unless enjoined  
2 by this court.

3 48. As a result of LG's infringement of the above-identified patents, MPT is entitled to  
4 a reasonable royalty on all video-capable cellular telephones sold by LG that embody an apparatus  
5 claimed by those patents.

6 49. LG's infringement of the MPT patents has caused and will continue to cause MPT  
7 and its existing licensees substantial and irreparable injury for which MPT is entitled to receive  
8 injunctive relief and damages adequate to compensate it for such infringement.

9 50. LG has had actual knowledge of the claims of the '377 and '878 patents since no  
10 later than August 13, 2008 when MPT notified LG of its infringement of the Patents-in-Suit.  
11 Despite such knowledge, LG has refused to take a license and continues to infringe the patents  
12 willfully and deliberately in disregard of MPT's patent rights.

#### 13 **COUNT IV**

#### 14 **(Patent Infringement Against TiVo)**

15 51. Paragraphs 1 through 23 are incorporated by reference as if stated fully herein.

16 52. TiVo continues to offer for sale and sell in the United States digital video recorders  
17 and related software. TiVo's digital video recorder products accused of infringement by this  
18 Complaint include, but are not limited to, the Premier and Premier XL digital video recorders, the  
19 TiVo Series 3 digital video recorders and the Desktop Plus software. These products can  
20 variously encode and decode video in compliance with a variety of standards promulgated by the  
21 International Organization for Standardization (ISO) and the International Telecommunications  
22 Union (ITU), including MPEG-2, MPEG-4, Part 2, H.264 and VC-1.

23 53. TiVo's DVR products, including but not limited to the TiVo Series 3 digital video  
24 recorders, by virtue of the manner in which they decode video, infringe one or more claims of the  
25 '226 patent.

26 54. TiVo's DVR products, including but not limited to the Premier and Premier XL  
27 digital video recorders and the TiVo Series 3 digital video recorder, by virtue of the manner in  
28 which they decode video, infringe one or more claims of the '878 patent.



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D. A judgment holding that the Defendants' infringement is willful, and a trebling of damages pursuant to 35 U.S.C. § 284;

E. A judgment holding this Action to be an exceptional case, and an award to Plaintiff Multimedia Patent Trust for its attorneys' fees and costs pursuant to 35 U.S.C. § 285; and

F. Such other and further relief as this Court deems just and proper.

DATED: December 20, 2010

QUINN EMANUEL URQUHART &  
SULLIVAN, LLP

By:           s/Bruce R. Zisser            
Bruce R. Zisser  
Attorneys for Plaintiff  
MULTIMEDIA PATENT TRUST

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JURY TRIAL DEMANDED

Multimedia Patent Trust demands a trial by jury on all issues triable of right by a jury.

DATED: December 20, 2010

QUINN EMANUEL URQUHART &  
SULLIVAN, LLP

By:           s/Bruce R. Zisser          

Bruce R. Zisser  
Attorneys for Plaintiff  
MULTIMEDIA PATENT TRUST