## UNITED STATES INTERNATIONAL TRADE COMMISSION **WASHINGTON, D.C. 20436**

In the Matter of

CERTAIN ELECTRONIC DEVICES HAVING A BLU-RAY DISC PLAYER AND COMPONENTS THEREOF

Investigation No. 337-TA-

## COMPLAINT OF LG ELECTRONICS, INC. UNDER SECTION 337 OF THE TARIFF ACT OF 1930, AS AMENDED

### COMPLAINANT

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## LIST OF EXHIBITS

- 1. Certified copy of U.S. Patent No. 7,701,835 ("the '835 patent")
- 2. Certified copy of U.S. Patent No. 7,577,080 ("the '080 patent")
- 3. Certified copy of U.S. Patent No. 7,619,961 ("the '961 patent")
- 4. Certified copy of U.S. Patent No. 7,756,398 ("the '398 patent")
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- 18. Sony and Blu-ray Disc Association Internet Sites Depicting Blu-ray Disc Standard compliance of Accused Products
- 19. White Paper, Blu-ray Disc Read-Only Format, 2.B Audio Visual Application Format Specifications for BD-ROM Version 2.4, Blu-ray Disc Association, July 2010
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- 25. Photographs of Product Packaging and Receipt
- 26. **Confidential:** Licensees to the '835, '080, '961 and '398 Patents
- 27. Photographs of Representative Domestic Industry Products
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- 30. **Confidential:** Claim Chart Demonstrating LGE's Practice of the '835 Patent
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- 34. **Confidential:** Declaration Regarding Domestic Industry Economic Prong

## **LIST OF APPENDICES**

- A. Prosecution History of the '835 Patent (four copies)
- B. Prosecution History of the '080 Patent (four copies)
- C. Prosecution History of the '961 Patent (four copies)
- D. Prosecution History of the '398 Patent (four copies)
- E. References Mentioned in the Prosecution History of the '835 Patent (four copies each)
- F. References Mentioned in the Prosecution History of the '080 Patent (four copies each)
- G. References Mentioned in the Prosecution History of the '961 Patent (four copies each)
- H. References Mentioned in the Prosecution History of the '398 Patent (four copies each)

### I. INTRODUCTION

- 1.1 LG Electronics, Inc. ("LGE" or "Complainant") requests that the United States International Trade Commission commence an investigation pursuant to Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 337 ("Section 337"), to remedy the unlawful importation into the United States, sale for importation, and/or sale within the United States after importation by the owner, importer, or consignee (or agents thereof), of certain electronic devices having a Blu-ray Disc player and components thereof (collectively referred to as "the Accused Products") that infringe valid and enforceable United States patents owned by LGE.
- 1.2 Proposed respondents Sony Corporation ("Sony Corp."), Sony Corporation of America ("SCA"), Sony Electronics, Inc. ("SEL"), Sony Computer Entertainment, Inc. ("SCE") and Sony Computer Entertainment America LLC ("SCEA") (collectively, "Sony" or "Respondents") have engaged in unfair acts in violation of Section 337 through and in connection with the unlicensed importation into the United States, sale for importation, and/or sale within the United States after importation of Accused Products that infringe one or more claims of U.S. Patent No. 7,701,835 ("the '835 patent"), U.S. Patent No. 7,577,080 ("the '080 patent"), U.S. Patent No. 7,619,961 ("the '961 patent"), and U.S. Patent No. 7,756,398 ("the '398 patent") (collectively, "the patents-in-suit" or "the Asserted Patents").
- 1.3 LGE asserts that the Accused Products directly infringe, contributorily infringe, and/or induce the infringement of at least claims 14-20 and 27-33 of the '835 patent, claims 16-29 of the '080 patent, claims 1, 2, 5-7, 9, 10 and 13-15 of the '961 patent and claims 10 and 14 of the '398 patent (collectively, "the Asserted Claims").
- 1.4 Certified copies of the '835, '080, '961 and '398 patents accompany this Complaint as **Exhibits 1-4**, respectively. LGE owns by assignment the entire right, title, and

interest in and to these patents. A certified copy of each of the recorded assignments accompanies this Complaint as **Exhibit 5**.

- 1.5 As required by Section 337(a)(2) and defined in Section 337(a)(3), an industry in the United States exists relating to articles covered by the Asserted Patents.
- 1.6 LGE seeks a permanent exclusion order, pursuant to Section 337(d), excluding from entry into the United States Sony's Accused Products that infringe one or more claims of the Asserted Patents. LGE also seeks permanent cease and desist orders, pursuant to Section 337(f), directing Sony to cease and desist from the importation, marketing, advertising, demonstrating, installing, servicing, repairing, and warehousing inventory of such Accused Products for distribution, sale and/or use in the United States.

### II. COMPLAINANT

- 2.1 Complainant LGE is a corporation organized under the laws of the Republic of Korea, having its principal place of business at LG Twin Towers, 20, Yeouido-dong, Yeongdeungpo-gu, Seoul 150-721, Korea.
- 2.2 LGE is a world leader and a technological innovator. LGE designs, develops, and sells a wide-range of high-technology products, including mobile communications devices, televisions, consumer electronics, such as Blu-ray Disc players, and home appliances. LGE was founded in 1958 and has grown substantially since its founding as a result of its product and technology innovations. LGE has invested billions of dollars in research and development including, in 2009 alone, an investment of two billion dollars in research and development. LGE, and its affiliates, now employ approximately 84,000 people throughout the world, including 17,000 engineers committed to the development of LGE's next generation of technology. To protect its investment, LGE seeks patent protection, and today owns

approximately 90,000 patents and patent applications. Additional information about LGE can be obtained from LGE's website (http://www.lg.com/us/about-lg/index.jsp).

2.3 Specifically, in relation to this action, LGE designs, develops, markets, and sells Blu-ray Disc playback devices ("Domestic Industry Products"). In the United States, LGE has made significant investments in plants and equipment, significant employment of labor and capital, and substantial investment in the exploitation of the patents, including engineering, research and development, and licensing. These activities provide the foundation for LGE's domestic industry.

### III. PROPOSED RESPONDENTS

## A. Sony Corporation

3.1 On information and belief, proposed Respondent Sony Corp. is a Japanese corporation with its principal place of business at 7-1, Konan, 1-chome, Minato-ku, Tokyo, 108-0075, Japan. Sony Corp. sells in the United States PlayStation3 video game consoles with a Bluray Disc player. *See* Exhibit 6. These PlayStation3 video game console devices are manufactured, assembled, and/or packaged outside of the United States. *See* Exhibits 16 and 25. On information and belief, Sony Corp. and/or others on its behalf then import the accused PlayStation3 video game console devices with a Blu-ray Disc player and components thereof into the United States, sell them for importation into the United States, or sell them after they have been imported into the United States. *See* Exhibit 6.

## B. Sony Corporation of America

3.2 On information and belief, proposed Respondent SCA is a Delaware corporation with a principal place of business at 550 Madison Avenue, New York, NY 10022, and is a wholly-owned subsidiary of Sony Corporation. *See* Exhibit 7. On information and belief, SCA is a U.S.-based subsidiary of proposed Respondent Sony Corp. and serves as the United States

sales and marketing arm of Sony Corporation of Japan. *See id.* On information and belief, SCA distributes the accused PlayStation3 video game console devices and components thereof in the United States. *See id.* 

### C. Sony Electronics, Inc.

3.3 On information and belief, proposed Respondent SEL is a Delaware corporation with its headquarters at 16530 Via Esprillo, San Diego, CA 92127, and is the largest unit of Sony Corporation of America. *See* Exhibit 8. On information and belief, SEL sells and markets PlayStation3 video game consoles with a Blu-ray Disc player in the United States. *See id*.

## D. Sony Computer Entertainment, Inc.

3.4 On information and belief, proposed Respondent SCE is a Japanese corporation with its principal place of business at 2-6-21, Minami-Aoyama, Minato-ku, Tokyo, Tokyo 107-0062, Japan. *See* Exhibit 9. On information and belief, SCE operates as a subsidiary of Sony Corporation. *See id.* On information and belief, SCE, along with its subsidiary divisions, develops, publishes, markets, and distributes consumer-based computer entertainment products, including PlayStation3 video game consoles with a Blu-ray Disc player. *See id.* 

## E. Sony Computer Entertainment America LLC

3.5 On information and belief, proposed Respondent SCEA is a Delaware corporation with its principal place of business at 919 East Hillsdale Blvd., Foster City, CA 94404. *See* **Exhibit 10**. On information and belief, SCEA operates as a subsidiary of Sony Corporation of America. On information and belief, SCEA is engaged in the business of developing, marketing and distributing electronic devices having a Blu-ray Disc player, including the PlayStation3 video game consoles with a Blu-ray Disc player. *See id*.

### IV. THE TECHNOLOGY AND PRODUCTS AT ISSUE

4.1 The general technology at issue involves the playback of Blu-ray Discs, i.e., the reproduction of data recorded on Blu-ray Disc media. As discussed below, LGE holds patents addressed to certain elements of Blu-ray Disc playback. For example, two of the Asserted Patents, the '080 patent and the'961 patent, relate to reproducing data from a recording medium, i.e., a Blu-ray Disc, including linking areas and data areas. Another of the Asserted Patents, the '835 patent, relates to technology for managing the reproduction of multiple data streams, e.g., multiple camera angles, that are recorded on a recording medium, i.e., a Blu-ray Disc. The remaining Asserted Patent, the '398 patent, relates to technology for reproducing a text subtitle stream that is recorded on a recorded medium, i.e., a Blu-ray Disc, and updating palette information, e.g., font color and opacity, for the text subtitle stream.

## V. THE ASSERTED PATENTS

5.1 At issue in this investigation is Sony's infringement of four United States patents: the '835 patent, the '080 patent, the '961 patent and the '398 patent. LGE provides an overview of each patent below.

### A. The '835 Patent

- 1. Identification of the Patent and Ownership by LGE
- 5.2 The '835 patent is titled "Recording Medium Having Data Structure for Managing Reproduction of Data Streams Recorded Thereon and Recording and Reproducing Methods and Apparatuses" and issued on April 20, 2010. The '835 patent issued from U.S. Patent Application Serial No. 11/802,659, filed on May 24, 2007. The '835 patent claims priority to Korean Patent Application No. 2003-018416, filed March 25, 2003. *See* Exhibit 1. LGE is the assignee of all rights, title, and interest in the invention ultimately disclosed and

claimed in the '835 patent by the inventors, Kang Soo Seo and Byung Jin Kim. *See* Exhibit 5. The '835 patent is valid, enforceable, and is currently in full force and effect.

5.3 Pursuant to Rule 210.12(c) of the Commission's Rules of Practice and Procedure, this Complaint is accompanied by **Appendices A** and **E**. **Appendix A** contains a certified copy and three additional copies of the prosecution history of the '835 patent, and **Appendix E** contains four copies of each reference mentioned in that prosecution history.

## 2. Non-Technical Description of the Patented Invention<sup>1</sup>

5.4 The '835 patent generally discloses a data structure for managing the reproduction of data streams, which may represent one or more reproduction paths, e.g., multiple camera angles, that are recorded on a recording medium, i.e., a Blu-ray Disc. *See* Exhibit 1 at [57]. Relevant to this case, the '835 patent discloses and claims data management information that conveys whether the data stream carries multiple reproduction paths, the number of reproduction paths, and a file associated with a reproduction path. *See id*.

### 3. Foreign Counterparts to the '835 Patent

5.5 The foreign counterparts to the '835 patent are listed in **Exhibit 11**. No other foreign patents or patent applications corresponding to the '835 patent have been filed, abandoned, withdrawn, or rejected.

#### B. The '080 Patent

## 1. Identification of the Patent and Ownership by LGE

5.6 The '080 patent is titled "Recording Medium with a Linking Area Thereon and Apparatus and Methods for Forming, Recording, and Reproducing the Recording Medium," and issued on August 18, 2009. The '080 patent issued from U.S. Patent Application Serial

<sup>&</sup>lt;sup>1</sup> The contents of this Complaint, including this section (*i.e.*, "Non-Technical Description of the Patented Invention"), do not and are not intended to construe either the specification or the claims of any Asserted Patent.

No. 10/753,400, filed on January 9, 2004, which is a continuation-in-part of PCT Application No. PCT/KR03/01096, filed on June 4, 2003. *See* Exhibit 2. LGE is the assignee of all rights, title, and interest in the invention ultimately disclosed and claimed in the '080 patent by the inventors, Jin Yong Kim and Sang Woon Suh. *See* Exhibit 5. The '080 patent is valid, enforceable, and is currently in full force and effect.

5.7 Pursuant to Rule 210.12(c) of the Commission's Rules of Practice and Procedure, this Complaint is accompanied by **Appendices B** and **F**. **Appendix B** contains a certified copy and three additional copies of the prosecution history of the '080 patent, and **Appendix F** contains four copies of each reference mentioned in that prosecution history.

## 2. Non-Technical Description of the Patented Invention

5.8 The '080 patent generally discloses a method and apparatus for reproducing data from a recording medium, i.e., a Blu-ray Disc, including a linking area linking a neighboring data area. See Exhibit 2 at [57]. Generally, a read-only recording medium has a different physical format from that of a write-once or a rewritable recording medium, e.g., DVD-ROM vs. DVD-R or DVD-RW. This difference requires a player for the writable type to have additional hardware and software to play back the read-only type. Relevant to this case, the '080 patent discloses and claims identifying a linking area included in a read-only recording medium. The linking area serves to make the physical format of a read-only recording medium identical to that of a writable type. Identifying such linking area disclosed in the '080 patent allows a single player to read and reproduce data stored in both types of media without additional hardware and software. See, e.g., id. at 2:57-3:13.

## 3. Foreign Counterparts to the '080 Patent

5.9 The foreign counterparts to the '080 patent are listed in **Exhibit 12**. No other foreign patents or patent applications corresponding to the '080 patent have been filed, abandoned, withdrawn, or rejected.

### C. The '961 Patent

## 1. Identification of the Patent and Ownership by LGE

- The '961 patent is titled "Read-only Recording Medium and Reproducing Method Thereof," and issued on November 17, 2009. The '961 patent issued from U.S. Patent Application Serial No. 12/068,505, filed on February 7, 2008, which is a division of U.S. Patent Application Serial No. 11/723,714, filed on March 21, 2007, now U.S. Patent No. 7,545,730, which is a division of U.S. Patent Application Serial No. 10/893,033, filed on July 16, 2004, now U.S. Patent No. 7,196,992, which is a division of U.S. Patent Application Serial No. 10/092,703, filed on March 5, 2002. The '961 patent claims priority to Korean Patent Application No. 2001-12149, filed March 9, 2001. *See* Exhibit 3. LGE is the assignee of all rights, title, and interest in the invention ultimately disclosed and claimed in the '961 patent by the inventor, Jin Yong Kim. *See* Exhibit 5. The '961 patent is valid, enforceable, and is currently in full force and effect.
- 5.11 Pursuant to Rule 210.12(c) of the Commission's Rules of Practice and Procedure, this Complaint is accompanied by **Appendices C** and **G**. **Appendix C** contains a certified copy and three additional copies of the prosecution history of the '961 patent, and **Appendix G** contains four copies of each reference mentioned in that prosecution history.

## 2. Non-Technical Description of the Patented Invention

5.12 The '961 patent generally discloses a method and an apparatus for reproducing data stored in a recording medium, i.e., a Blu-ray Disc, including a linking data area that is

preceded and followed by a real data area. *See* **Exhibit 3** at [57]. Generally, a read-only recording medium has a different physical format from that of a write-once one or a rewritable one, e.g., DVD-ROM vs. DVD-R or DVD-RW. This difference requires a player to have different hardware and software based on the type of a recording medium. Relevant to this case, the '961 patent discloses and claims checking whether a current position is a linking data area. The linking data area serves to make the physical format of a read-only recording medium identical to that of a writeable type. Checking whether a current position is a linking data area, as disclosed in the '961 patent, allows a single player to continuously reproduce real data regardless of the type of a recording medium. *See*, e.g., id. at 2:21-53.

## 3. Foreign Counterparts to the '961 Patent

5.13 The foreign counterparts to the '961 patent are listed in **Exhibit 13**. No other foreign patents or patent applications corresponding to the '961 patent have been filed, abandoned, withdrawn, or rejected.

### D. The '398 Patent

## 1. Identification of the Patent and Ownership by LGE

5.14 The '398 patent is titled "Recording Medium and Method and Apparatus for Reproducing Text Subtitle Stream for Updating Palette Information," and issued on July 13, 2010. The '398 patent issued from U.S. Patent Application Serial No. 11/070,242, filed on March 3, 2005. The '398 patent claims priority to Korean Patent Application No. 2004-0020890, filed March 26, 2004. *See* Exhibit 4. LGE is the assignee of all rights, title, and interest in the invention ultimately disclosed and claimed in the '398 patent by the inventors, Jea Yong Yoo, Byung Jin Kim, and Kang Soo Seo. *See* Exhibit 5. The '398 patent is valid, enforceable, and is currently in full force and effect.

5.15 Pursuant to Rule 210.12(c) of the Commission's Rules of Practice and Procedure, this Complaint is accompanied by **Appendices D** and **H**. **Appendix D** contains a certified copy and three additional copies of the prosecution history of the '398 patent, and **Appendix H** contains four copies of each reference mentioned in that prosecution history.

## 2. Non-Technical Description of the Patented Invention

5.16 The '398 patent generally discloses an apparatus for reproducing a text subtitle stream for updating palette information that is recorded on a recorded medium, i.e., a Blu-ray Disc. *See* Exhibit 4 at [57]. Relevant to this case, the '398 patent discloses and claims a text subtitle stream that includes a style segment that includes style and palette information, e.g., font and opacity. The text subtitle stream also includes presentation segments. The presentation segments contain text regions which are linked to the style information included in the style segment. Each presentation segment includes an indicator that indicates which palette information to use. *See id.* 

### 3. Foreign Counterparts to the '398 Patent

5.17 The foreign counterparts to the '398 patent are listed in **Exhibit 14**. No other foreign patents or patent applications corresponding to the '398 patent have been filed, abandoned, withdrawn, or rejected.

### VI. UNLAWFUL AND UNFAIR ACTS OF THE PROPOSED RESPONDENTS

6.1 Upon information and belief, Sony's Accused Products directly infringe, contributorily infringe, and/or induce the infringement of at least: claims 14-20 and 27-33 of the '835 patent, claims 16-29 of the '080 patent, claims 1, 2, 5-7, 9, 10 and 13-15 of the '961 patent and claims 10 and 14 of the '398 patent. Upon information and belief, components of those same products also directly infringe, contributorily infringe, and/or induce infringement of those claims. Discovery may reveal that Sony infringes additional claims of the Asserted Patents.

- 6.2 On information and belief, the accused Sony products are manufactured, assembled, packaged and tested, and/or purchased overseas, specifically at least in China, for importation into the United States. The Accused Products are then imported into the United States, sold for importation, and/or sold within the United States after importation by or on behalf of Sony. *See* Exhibit 15.
- 6.3 On information and belief, and by way of example, Sony's PlayStation3 (Model No. CECH-2501A) video game console device directly infringes, contributorily infringes, and/or induces infringement of the Asserted Claims. On information and belief, and by way of example, components of the representative Sony PlayStation3 (Model No. CECH-2501A) video game console device also directly infringe, contributorily infringe, and/or induce infringement of the Asserted Claims. Photographs of a representative Sony PlayStation3 (Model No. CECH-2501A) video game console device are attached to this Complaint as Exhibit 16. The user manual for the representative Sony PlayStation 3 (Model No. CECH-2501A) video game console device demonstrates that the PlayStation3 complies with the "System Description, Blu-ray Disc Read-Only Format" standard ("BD-ROM standard"). See Exhibit 17 (user manual); see also Exhibit 18 (Sony's website and the website of the Blu-ray Disc Association (BDA)). A White Paper describing the Blu-ray Disc format, titled "White paper, Blu-ray Disc Read-Only Format, 2.B Audio Visual Application Format Specifications for BD-ROM Version 2.4," is attached as **Exhibit 19**. Another White Paper describing the Blu-ray Disc format, titled "White paper, Blu-ray Disc Format, 1.C Physical Format Specifications for BD-ROM 6th Edition," is attached as Exhibit 20. Blu-ray Disc players (including the Accused Products) must operate in accordance with the BD-ROM standard as described in the publications referenced in the attached claim charts. The Accused Products' implementation of the BD-ROM standard

demonstrates infringement of the Asserted Patents. Claim charts demonstrating how exemplary Accused Products infringe the asserted independent claims of the Asserted Patents—claims 14-20 and 27-33 of the '835 patent, claims 16-29 of the '080 patent, claims 1, 2, 5-7, 9, 10 and 13-15 of the '961 patent and claims 10 and 14 of the '398 patent—are attached to this Complaint as Confidential Exhibit 21, Confidential Exhibit 22, Confidential Exhibit 23, and Confidential Exhibit 24, respectively. Further discovery may also reveal additional infringing Sony products and/or models.

6.4 Each of the respondents actively induces others to infringe the asserted claims through the sale of its electronic devices having a Blu-ray Disc player along with directions, demonstrations, guides, manuals, training for use, and other materials that encourage the infringing use of the accused electronic devices having a Blu-ray Disc player. Each of the respondents induced such infringing acts and knew or should have known that its actions would induce actual infringement of the Asserted Patents. In addition, Sony contributorily infringes certain of the Asserted Patents through its sale and offers to sell within the United States and/or imports into the United States of components of the accused electronic devices having a Blu-ray Disc player and/or electronic devices having a Blu-ray Disc player for use in practicing a process, constituting a material part of the asserts claims of the Asserted Patents, knowing the same to be especially made or especially adapted for use in an infringement of the Asserted Patents, and not a staple article or commodity of commerce suitable for substantial noninfringing use. Sony has notice of its infringement of the '835, '080, '961 and '398 patents. For example, Sony Corporation has been on notice of its infringement of the '835, '080, '961 and '398 patents since at least as early as November 29, 2010.

#### VII. SPECIFIC INSTANCES OF UNFAIR IMPORTATION AND SALE

- A. Specific Instances of Sony's Unlawful and Unfair Acts
- 7.1 On information and belief, Sony and others on its behalf manufacture the Accused Products at least in China, and then import them into the United States, sell them for importation into the United States, and/or sell them within the United States after importation. For example, attached **Exhibit 15** includes descriptions of offers for sale of the Sony PlayStation3, e.g., Model No. CECH-2501A, video game console device on the amazon.com website and bestbuy.com website. Other versions of the Sony PlayStation3, e.g., Model No. PS398418 and Model No. PS398419, video game console device are available for sale on the sonystyle.com website, which is controlled by Sony.
- 7.2 For example, on or about December 13, 2010, LGE purchased a representative Accused Product in the United States. Specifically, LGE purchased a Sony PlayStation3 (Model No. CECH-2501A) video game console device in the United States that infringes each Asserted Claim of the Asserted Patents, as set forth above. Labels on the device indicate that the product was manufactured in China. Attached as part of **Exhibit 25** are photographs of the product packaging and a copy of the receipt for the Sony PlayStation3 (Model No. CECH-2501A) video game console device purchased by LGE reflecting the purchase of an Accused Product in the United States. The photographs of the Sony PlayStation3 (Model No. CECH-2501A) video game console device in **Exhibit 16** and photographs of its packaging in **Exhibit 25** identify Sony as the distributor of the Sony PlayStation3 (Model No. CECH-2501A) video game console device.
- 7.3 The accused Sony products are believed to fall within at least the following classifications of the Harmonized Tariff Schedules of the United States: 9504.10.00 and 8521.

These classifications are intended for illustrative purposes only; moreover they are not intended to restrict the scope or type of Accused Product.

#### VIII. LICENSEES

8.1 LGE has licensed one or more of the Asserted Patents. Pursuant to Rule 210.12 of the Commission's Rules, **Confidential Exhibit 26** provides a list of licensees.

### IX. DOMESTIC INDUSTRY

9.1 A domestic industry exists as defined by 19 U.S.C. §§ 1337(a)(3)(A), (B), and (C) relating to significant investment in plant and equipment; significant employment of labor and capital; and substantial investment in the exploitation of the patents, including engineering, research and development, and licensing of LGE's Domestic Industry Products. LGE's Domestic Industry Products covered by the claims of the Asserted Patents include LGE's Bluray Disc players.

## A. Technical Prong

9.2 LGE sells in the United States Blu-ray Disc players that practice at least one claim of each of the Asserted Patents. One exemplary LGE product, the LGE BD300 Blu-ray Disc player, is covered by each of the Asserted Patents. This LGE Blu-ray Disc player is assembled in South Korea and is imported into the United States. Photographs of an LGE BD300 Blu-ray Disc player are attached as **Exhibit 27**. A copy of the owner's manual for the LGE BD300 Blu-ray Disc player is attached as **Exhibit 28**. A copy of the specification sheet for the LGE BD300 Blu-ray Disc player is attached as **Exhibit 29**. The LGE BD300 Blu-ray Disc player incorporates a Broadcom system-on-chip ("SOC") having part number BCM 7440 and complies with the "System Description, Blu-ray Disc Read-Only Format" standard ("BD-ROM standard"). As with the Accused Products, the Domestic Industry Products must operate in accordance with the BD-ROM standard. The Domestic Industry Products' implementation of the BD-ROM

standard demonstrates practice of the Asserted Patents. Claim charts demonstrating how the LGE BD300 Blu-ray Disc player practices an exemplary claim of each of the Asserted Patents are attached as Confidential Exhibit 30, Confidential Exhibit 31, Confidential Exhibit 32, and Confidential Exhibit 33.

## B. Economic Prong

- 9.3 LGE conducts significant domestic industry activities in the United States relating to products practicing the Asserted Patents. These activities include LGE's investment in plant and equipment, employment of labor and capital, and substantial investment in the exploitation of the Asserted Patents, as well as the investments in these activities by its related entities LG Electronics U.S.A., Inc. ("LGEUS") and LG Electronics Alabama, Inc. ("LGEAI"). *See*Confidential Exhibit 34.
- 9.4 LGE has made and continues to make significant investment in plant facilities and equipment in the United States dedicated to the service and engineering of products covered by the Asserted Patents. The plant facilities and equipment used in connection with these activities are located in Huntsville, Alabama, and Rancho Cucamonga, California. A portion of LGE's investment in plant and equipment is set forth in **Confidential Exhibit 34**.
- 9.5 LGE has employed and continues to employ a significant number of employees in the above-mentioned facilities that devote substantial man-hours towards product support, testing and quality management, and warranty and repair services for products covered by the Asserted Patents. **Confidential Exhibit 34** describes this labor investment.
- 9.6 LGE has invested and continues to invest significant capital in its facilities towards product support, testing and quality management, and warranty and repair services for products covered by the Asserted Patents. **Confidential Exhibit 34** describes the capital LGE has expended towards these activities.

9.7 LGE has also invested substantially in the exploitation of the patents-in-suit through the activities described above. **Confidential Exhibit 34** describes this investment.

### X. RELATED LITIGATION

10.1 There is no related litigation involving the '835, '080, '961 and '398 patents.

## XI. REQUESTED RELIEF

- 11.1 WHEREFORE, by reason of the foregoing, LGE requests that the United States International Trade Commission:
  - (a) Institute an immediate investigation, pursuant to Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, with respect to violations of Section 337 based on the proposed Respondents' unlawful importation into the United States, sale for importation, and/or sale within the United States after importation of certain electronic devices having a Blu-ray Disc player and components thereof that infringe one or more claims of U.S. Patent No. 7,701,835; U.S. Patent No. 7,577,080; U.S. Patent No. 7,619,961; and U.S. Patent No. 7,756,398;
  - (b) Schedule and conduct a hearing on the unlawful acts and, following the hearing, determine that there has been a violation of Section 337;
  - (c) Issue a permanent exclusion order, pursuant to Section 337(d) of the Tariff Act of 1930, as amended, excluding from entry into the United States all of the proposed respondents' electronic devices with a Blu-ray Disc player and components thereof that infringe one or more claims of U.S. Patent No. 7,701,835; U.S. Patent No. 7,577,080; U.S. Patent No. 7,619,961; and U.S. Patent No. 7,756,398;
  - (d) Issue permanent cease and desist orders, pursuant to Section 337(f) of the Tariff Act of 1930, as amended, directing each of the proposed respondents to cease and desist from the importation, marketing, advertising, demonstrating, installing, repairing,

servicing, warehousing inventory for distribution, sale and use of certain electronic devices with a Blu-ray Disc player and components thereof that infringe one or more claims of U.S. Patent No. 7,701,835; U.S. Patent No. 7,577,080; U.S. Patent No. 7,619,961; and U.S. Patent No. 7,756,398; and

(e) Grant such other and further relief as the Commission deems just and proper based on the facts determined by the investigation and the authority of the Commission.

Respectfully submitted,

FISH & RICHARDSON P.C.

Dated: February 4, 2011

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Counsel for Complainant LG Electronics, Inc.

## **VERIFICATION**

I, John I. Taylor, declare, in accordance with 19 C.F.R. §§ 210.4 and 210.12(a), under penalty of perjury, that the following statements are true:

- 1. I, John I. Taylor, am a vice president at LG Electronics USA, Inc., and am duly authorized to sign this Complaint on behalf of Complainant LG Electronics, Inc. ("LGE");
  - 2. I have read the foregoing Complaint;
- 3. To the best of my knowledge, information, and belief, based upon reasonable inquiry, the foregoing Complaint is well-founded in fact and is warranted by existing law or by a non-frivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;
- 4. The allegations or other factual contentions have evidentiary support or are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery, and;

The foregoing Complaint is not being filed for any improper purpose, such as to harass or cause unnecessary delay or needless increase in the cost of litigation.

Executed this 4<sup>th</sup> day of February, 2011.

John I. Taylor