

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

ZENITH ELECTRONICS LLC,

Plaintiff,

v.

SONY CORPORATION,
SONY CORPORATION OF AMERICA, AND
SONY ELECTRONICS, INC.,

Defendants.

Case No. _____

JURY TRIAL DEMANDED

**PLAINTIFF ZENITH ELECTRONICS LLC'S
COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Zenith Electronics LLC ("Zenith"), on personal knowledge as to its own acts and upon information and belief formed after reasonable inquiry as to the acts of others, hereby files this Complaint for Patent Infringement against Sony Corporation, Sony Corporation of America, and Sony Electronics, Inc. and alleges as follows:

PARTIES

1. Plaintiff Zenith is a limited liability company organized under the laws of the State of Delaware, with its principal place of business at 2000 Millbrook Drive, Lincolnshire, Illinois 60069.

2. Defendant Sony Corporation is organized under the laws of Japan with its principal place of business at 7-1, Konan 1-Chome, Minato-ku, Tokyo 108-0075, Japan, and conducts business in this District, in conjunction with its subsidiaries including those identified herein.

3. Defendant Sony Corporation of America (“SCA”) is a Delaware corporation with a principal place of business at 550 Madison Avenue, New York, New York 10022, and is a wholly-owned subsidiary of Sony Corporation conducting business in this District.

4. Defendant Sony Electronics, Inc. (“SEL”) is a Delaware corporation with its headquarters at 16530 Via Esprillo, San Diego, CA 92127, and is a wholly-owned subsidiary of Sony Corporation of America and/or of Sony Corporation conducting business in this District.

5. Sony Corporation in conjunction with its subsidiaries SCA and SEL (individually and collectively “Sony”) manufactures and sells flat panel televisions and other television devices in the United States, including within this District, by shipping infringing products directly and/or indirectly into this District and through its e-commerce websites www.sony.com and/or www.sonystyle.com. Sony’s established distribution network includes national distributors and resellers, and Sony distributes to national and local retailers that have stores located in this District. By shipping into, selling, offering to sell, and/or using products that infringe the patents-in-suit in this District, or by inducing or causing those acts to occur, Sony has transacted and continues to transact business and perform work and services in this District, has supplied and continues to supply services and things in this District, has caused and continues to cause injury and damages in this District by acts and omissions in this District, and has caused and continues to cause injury and damages in this District by acts or omissions outside of this District while deriving substantial revenue from services or things used or consumed within this District, and will continue to do so unless enjoined by this Court.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because the action concerns infringement of a United States Patent.

7. This Court has personal jurisdiction over Sony at least by virtue of Sony having conducted business in this District and/or having committed one or more acts of infringement in this District.

8. Venue is proper under 28 U.S.C. §§ 1391 and 1400.

FACTUAL BACKGROUND

9. Zenith was founded in 1918 and, since its founding, has been a pioneer in the consumer electronics industry, bringing the world such things as subscription television and the modern remote control. Most notably here, Zenith was a pioneer in the development of high definition television (“HDTV”) and Zenith’s technology has been adopted as the industry standard for HDTV broadcasts in the United States. Zenith’s innovations related to HDTV are protected by a valuable portfolio of patents that are the subject of over 100 licenses with industry participants. In light of these facts, Zenith cannot permit the continued infringement of its patents by unlicensed market participants and will, if necessary, vigorously protect its patent rights through appropriate procedures.

10. Sony is a leading supplier of HDTV products (including TVs and other receivers) that are compliant with the ATSC Standard and has enjoyed the success of the HDTV market established by Zenith. For example, Sony “Bravia” television models such as KDL-46HX800 and KDL-32EX500 are HDTV products compliant with the ATSC standard. The Sony HDTVs and receiver products implementing ATSC technology are hereinafter referred to as the “Accused Sony HDTVs.” While Sony Corporation was previously licensed to certain Zenith

patents, that license has expired and Sony Corporation's sales of HDTVs have been and continue to be unlicensed sales in violation of Zenith's patent rights. Zenith has contacted and attempted to negotiate a reasonable and non-discriminatory license with Sony; however, Sony has been unwilling to take a license to Zenith's patents.

FIRST CLAIM FOR RELIEF

(Infringement of United States Patent No. 5,406,587)

Zenith incorporates by reference paragraphs 1 through 10 as if set forth here in full.

11. United States Patent No. 5,406,587 ("the '587 patent"), titled "Error Tracking Loop," was issued on April 11, 1995, based on an application filed on February 8, 1993. Zenith is the sole owner of the entire right, title, and interest in the '587 patent, including the right to recover for past, present and future infringements and violations thereof.

12. Zenith is informed and believes, and based thereon alleges, that Sony has made, used, offered to sell, and/or sold within the United States, and/or imported into the United States, Accused Sony HDTVs that infringe the claims of the '587 patent, literally and/or under the doctrine of equivalents, in violation of Zenith's statutory rights.

13. Zenith is informed and believes, and based thereon alleges, that Sony has induced the infringement of the '587 patent by selling, offering to sell, and/or importing into the United States Accused Sony HDTVs that infringe the claims of the '587 patent in violation of Zenith's statutory rights. Zenith is informed and believes, and based thereon alleges, that Sony was aware of the '587 patent at the time it engaged in its directly and indirectly infringing activities and, in any event, was aware of the '587 patent at least as early as the service date of this complaint. Moreover, on information and belief, Sony sold and/or offered for sale and/or imported Accused Sony HDTVs, and is continuing to do so, to customers and others knowing the same to infringe

the '587 patent, and, through its marketing, packaging, product literature, user manuals, technical support, and other published and electronic materials and resources related to the Accused Sony HDTVs, actively encouraged and specifically intended its customers and others to use the Accused Sony HDTVs in the United States in a manner that Sony knew to be infringing, and such customers and others actually directly infringed the '587 patent.

14. As a result of Sony's unlawful infringement of the '587 patent, Zenith has suffered and will continue to suffer damage. Zenith is entitled to recover from Sony the damages adequate to compensate for such infringement, which have yet to be determined.

15. On information and belief, Sony has acted and is continuing to act despite an objectively high likelihood that its actions constituted direct and/or indirect infringement of a valid patent, and, on information and belief, Sony knew or should have known of that objectively high risk. Sony's acts herein constitute willful and deliberate infringement, entitling Zenith to enhanced damages under 35 U.S.C. § 284 and reasonable attorney fees and costs. Sony's acts of infringement of the '587 patent herein have been made, and/or are being made at the time of service of this complaint, with full knowledge of Zenith's rights in the patent.

16. Sony's acts of infringement have caused and will continue to cause irreparable harm to Zenith unless and until enjoined by this Court.

SECOND CLAIM FOR RELIEF

(Infringement of United States Patent No. 5,565,932)

Zenith incorporates by reference paragraphs 1 through 16 as if set forth here in full.

17. United States Patent No. 5,565,932 ("the '932 patent"), titled "AGC System With Pilot Using Digital Data Reference," was issued on October 15, 1996, based on an application filed on November 8, 1994. Zenith is the sole owner of the entire right, title, and interest in the

'932 patent, including the right to recover for past, present and future infringements and violations thereof.

18. Zenith is informed and believes, and based thereon alleges, that Sony has made, used, offered to sell, and/or sold within the United States, and/or imported into the United States, Accused Sony HDTVs that infringe the claims of the '932 patent, literally and/or under the doctrine of equivalents, in violation of Zenith's statutory rights.

19. Zenith is informed and believes, and based thereon alleges, that Sony has induced the infringement of the '932 patent by selling, offering to sell, and/or importing into the United States Accused Sony HDTVs that infringe the claims of the '932 patent in violation of Zenith's statutory rights. Zenith is informed and believes, and based thereon alleges, that Sony was aware of the '932 patent at the time it engaged in its directly and indirectly infringing activities and, in any event, was aware of the '932 patent at least as early as the service date of this complaint. Moreover, on information and belief, Sony sold and/or offered for sale and/or imported Accused Sony HDTVs and is continuing to do so, to customers and others knowing the same to infringe the '932 patent, and, through its marketing, packaging, product literature, user manuals, technical support, and other published and electronic materials and resources related to the Accused Sony HDTVs, actively encouraged and specifically intended its customers and others to use the Accused Sony HDTVs in the United States in a manner that Sony knew to be infringing, and such customers and others actually directly infringed the '932 patent.

20. As a result of Sony's unlawful infringement of the '932 patent, Zenith has suffered and will continue to suffer damage. Zenith is entitled to recover from Sony the damages adequate to compensate for such infringement, which have yet to be determined.

21. On information and belief, Sony has acted and is continuing to act despite an objectively high likelihood that its actions constituted direct and/or indirect infringement of a valid patent, and, on information and belief, Sony knew or should have known of that objectively high risk. Sony's acts herein constitute willful and deliberate infringement, entitling Zenith to enhanced damages under 35 U.S.C. § 284 and reasonable attorney fees and costs. Sony's acts of infringement of the '932 patent herein have been made, and/or are being made at the time of service of this complaint, with full knowledge of Zenith's rights in the patent.

22. Sony's acts of infringement have caused and will continue to cause irreparable harm to Zenith unless and until enjoined by this Court.

PRAYER FOR RELIEF

Wherefore, Zenith prays for a Judgment from this Honorable Court in favor of Zenith and against Sony as follows:

1. That the '587 patent and the '932 patent are valid and enforceable;
2. That Sony has directly infringed the '587 patent and the '932 patent;
3. That Sony has induced the infringement of the '587 patent and the '932 patent;
4. An order enjoining Sony and its affiliates, subsidiaries, officers, directors, employees, agents, representatives, licensees, successors, assigns, and all those acting for them and on their behalf, or acting in concert with them directly or indirectly, from further acts of infringement of the '587 patent and the '932 patent;
5. A full accounting by Sony and awards and damages to Zenith for Sony's infringement of the '587 patent and the '932 patent, including enhanced damages pursuant to 35 U.S.C. § 284, together with pre- and post-judgment interest, in an amount according to proof;

6. Adjudge that this case to be “exceptional” within the meaning of 35 U.S.C. § 285, entitling Zenith to an award of its reasonable attorneys’ fees, expenses, and costs; and

7. A grant of such other and further equitable or legal relief as the Court deems proper.

DEMAND FOR JURY TRIAL

Zenith hereby demands trial by jury on all issues so triable.

Respectfully submitted,

Dated: April 29, 2011

By: /s/ Roger A. Lewis

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