IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

	:	
GRAPHICS PROPERTIES HOLDINGS, INC.,	:	
	:	
Plaintiff,	:	
	:	
V.	:	
	:	Civil Action No.
TOSHIBA AMERICA INFORMATION	:	
SYSTEMS, INC. and	:	Jury Trial Demanded
TOSHIBA CORPORATION,	:	
	:	
Defendants.	:	

COMPLAINT

1. Plaintiff Graphics Properties Holdings, Inc. ("GPH" or "Plaintiff"), for its Complaint against Defendants Toshiba America Information Systems, Inc., ("Toshiba") and Toshiba Corporation ("Toshiba Japan") (collectively "Defendants"), hereby alleges as follows:

PARTIES

2. Plaintiff GPH is a Delaware corporation with its principal place of business at 56 Harrison Street, Suite 505, New Rochelle, New York 10801.

3. On information and belief, Defendant Toshiba Japan is a corporation organized and existing under the laws of Japan, with its principal place of business located at 1-1-1 Shibaura, Minato-ku, 105-8001 Japan. On information and belief, Toshiba Japan is in the business of developing, manufacturing, and selling electronic devices for importation into the United States. Such devices include, but are not limited to, televisions, video monitors, and laptop and tablet computers. 4. On information and belief, Defendant Toshiba is a corporation organized and existing under the laws of the state of California, with its principal place of business located at 9740 Irvine Blvd., Irvine, California 92618. On information and belief, Toshiba is a whollyowned subsidiary of Toshiba America. Toshiba is in the business of developing, manufacturing, importing, and selling electronic devices. Such devices include, but are not limited to, televisions, video monitors, and laptop and tablet computers.

NATURE OF THE ACTION

5. This is a civil action for the infringement of United States Patent No. 5,717,881 (the "881 Patent" or "Patent-in-Suit") (attached as Exhibit A) entitled "Data Processing System for Processing One and Two Parcel Instructions" under the patent laws of the United States, 35 U.S.C. § 1, *et seq*.

JURISDICTION AND VENUE

6. This Court has original jurisdiction over the subject matter of this Complaint under 28 U.S.C. § 1338(a) because this action arises under the patent laws of the United States, including 35 U.S.C. § 271, *et seq*.

7. Defendants are subject to personal jurisdiction in the State of Delaware because Defendants regularly transact business in this judicial district and division by, among other things, offering Defendants' products and services to customers, business affiliates and partners located in this judicial district. In addition, the Defendants have committed acts of direct infringement of one or more of the claims of the Patent-in-Suit in this judicial district.

8. Venue in this district is proper under 28 U.S.C. §§ 1400(b) and 1391(b) and (c), because the Defendants are subject to personal jurisdiction in this district and have committed acts of infringement in this district.

-2-

FACTUAL BACKGROUND

9. Plaintiff GPH is the lawful assignee of all right, title and interest in and to the Patent-in-Suit.

10. GPH was formerly named Silicon Graphics, Inc. As Silicon Graphics, GPH developed technology and intellectual property used in the graphics, computer processing, and display segments. GPH is owned by private investment funds and other institutional investors, following the bankruptcy of Silicon Graphics.

11. GPH continues to manage and license its intellectual property, including the Patent-in-Suit.

<u>COUNT I</u> (Defendants' Infringement of the '881 Patent)

12. Paragraphs 1 through 11 are incorporated by reference as if fully restated herein.

13. Plaintiff GPH is the assignee and lawful owner of all right, title and interest in and to the '881 Patent.

14. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that directly and/or indirectly infringe, literally and/or under the doctrine of equivalents, or which employ systems, components and/or processes that make use of systems or processes that directly and/or indirectly infringe, literally and/or under the doctrine of equivalents, one or more of the claims of the '881 Patent. Such devices include consumer electronics and display devices, including, but not limited to, televisions, such as, but not limited to, Defendants' 55SL417U television and other similar devices.

15. Defendants actively, knowingly, and intentionally induced, and continue to actively, knowingly, and intentionally induce, infringement of the '881 Patent by making, using,

-3-

offering for sale, importing, and selling infringing consumer electronics and display devices, as well as by contracting with others to use, market, sell, offer to sell, and import infringing consumer electronics and display devices, all with knowledge of the '881 Patent and its claims; with knowledge that its customers and end users will use, market, sell, offer to sell, and import infringing consumer electronics and display devices; and with the knowledge and the specific intent to encourage and facilitate those infringing sales and uses of infringing consumer electronics and display devices through the creation and dissemination of promotional and marketing materials, instructional materials, product manuals, and technical materials.

16. Defendants have also contributed to the infringement by others, including the end users of infringing consumer electronics and display devices, and continue to contribute to infringement by others, by selling, offering to sell, and importing the infringing consumer electronics and display devices into the United States, knowing that those products constitute a material part of the inventions of the '881 Patent, knowing those products to be especially made or adapted to infringe the '881 Patent, and knowing that those products are not staple articles or commodities of commerce suitable for substantial non-infringing use.

17. Defendants have had knowledge of and notice of the '881 Patent and its infringement since at least, and through, the filing and service of this Complaint and despite this knowledge continue to commit tortious conduct by way of patent infringement.

 Defendants have been and continue to be infringing one or more of the claims of the '881 Patent through the aforesaid acts.

19. Plaintiff is entitled to recover damages adequate to compensate for the infringement.

-4-

PRAYER FOR RELIEF

WHEREFORE, Graphics Properties Holdings, Inc., respectfully requests the following relief:

- a) A judgment that the '881 Patent is valid and enforceable;
- b) A judgment that Defendants have infringed the '881 Patent; and

c) A judgment that awards GPH all appropriate damages under 35 U.S.C. § 284 for the Defendants' past infringement, and any continuing or future infringement of the Patent-in-Suit, up until the date such judgment is entered, including interest, costs, and disbursements as justified under 35 U.S.C. § 284 and, if necessary, to adequately compensate GPH for Defendants' infringement, an accounting:

- that this case be declared exceptional within the meaning of 35 U.S.C. § 285 and that GPH be awarded its reasonable attorneys' fees against Defendants that it incurs in prosecuting this action;
- ii. that GPH be awarded costs, and expenses that it incurs in prosecuting this action; and
- iii. that GPH be awarded such further relief at law or in equity as the Court deems just and proper.

DEMAND FOR JURY TRIAL

GPH hereby demands trial by jury on all claims and issues so triable.

DATED: May 17, 2013

Respectfully submitted,

FARNAN LLP

By: <u>/s/ Brian E. Farnan</u> Brian E. Farnan (Bar No. 4089) Rosemary J. Piergiovanni (Bar No. 3655) 919 North Market Street, 12th Floor Wilmington, Delaware 19801 (302) 777-0300 (302) 777-0301 (Fax) bfarnan@farnanlaw.com

OF COUNSEL:

Michael T. Renaud - LEAD ATTORNEY James M. Wodarski Michael J. McNamara Jack C. Schecter Stephen P. Cole Daniel B. Weinger MINTZ, LEVIN, COHN, FERRIS, GLOVSKY & POPEO P.C. One Financial Center Boston, MA 02111 (617) 542-6000 mtrenaud@mintz.com jwodarski@mintz.com mmcnamara@mintz.com jcschecter@mintz.com spcole@mintz.com dbweinger@mintz.com

> *Counsel for Plaintiff Graphics Properties Holdings, Inc.*