

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

TECHNOLOGY LICENSING
CORPORATION,

Plaintiff,

v.

BLACKMAGIC DESIGN PTY LTD,

Defendant.

CIVIL ACTION NO. 1:13 cv 4294

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

In this action for patent infringement, Plaintiff Technology Licensing Corporation (“TLC”) complains of Defendant Blackmagic Design Pty Ltd (“Blackmagic”) as follows:

JURISDICTION AND VENUE

1. This is a claim for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code § 1 *et seq.* This Court has exclusive original jurisdiction over the subject matter of this Complaint under 28 U.S.C. §§ 1331 and 1338(a).

2. Venue is proper under 28 U.S.C. §§ 1391 and 1400(b) because the Defendant is subject to personal jurisdiction here, does business in this judicial district, and has committed acts of infringement in this judicial district.

PARTIES

3. TLC is a Nevada corporation and has its principal place of business at 711 South Carson Street, Suite 6, Carson City, Nevada, 89701. TLC owns the full and exclusive right, title and interest in and has standing to sue for infringement of United States Patent Nos. 6,870,964 B1 and C1, “Spatial Scan Replication Circuit,” 7,382,929 B2, “Spatial Scan Replication Circuit,” 7,986,851 B2, “Spatial Scan Replication Circuit,” and 5,920,842, “Signal Synchronization.” The

patents are referred to below as the '964, '929, '851 and '842 patents, respectively. The patents are Exhibits A, B, C and D to this Complaint.

4. TLC is the assignee of all substantive rights in, and has standing to sue for infringement of United States Patent Nos. RE 40,411 E, "Synchronizing Signal Separating Apparatus and Method" and RE 40,412 E, "Synchronizing Signal Separating Apparatus and Method." The patents are referred to below as the '411 and '412 patents, respectively. The patents are Exhibits E and F to this Complaint.

5. Blackmagic is an Australian corporation based in Melbourne, Australia. In 2011, Blackmagic acquired Teranex Systems, Inc. Blackmagic states that its products are available through resellers in Chicago, Arlington Heights, Deerfield, and Oakbrook Terrace, Illinois in this judicial district.

**FIRST CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '964 PATENT IN VIOLATION OF 35 U.S.C. § 271(a)**

6. Blackmagic sells products that are covered by claims of the '964 patent. The products include the Teranex 2D Processor, the Teranex 3D processor, and the Teranex VC100 video processor. Blackmagic advertises Teranex 2D and 3D processors. Blackmagic tells potential customers that these products perform up conversion and de-interlacing:

Teranex quality starts with one of the world's highest quality and most precise de-interlacers. Teranex features proprietary and patented PixelMotion de-interlacing algorithms so you get improved image quality by maintaining vertical resolution.

When converting from NTSC or PAL SD up to 720HD or 1080HD, Teranex is perfect because it features a wide range of aspect ratio options and multi-direction diagonal filters so "jaggies" are eliminated and you get clean HD looking images!

<http://www.blackmagicdesign.com/products/teranex/processing/>. Additional products may be identified when discovery is available.

7. Blackmagic has made, used, offered for sale, sold, and/or imported products including those described in paragraph 6 above. These acts by Blackmagic have directly infringed at least claims 1-7, 9, and 11-13 of the '964 patent within the meaning of 35 U.S.C. § 271(a). Exhibit G to this Complaint is a claim chart for the '964 patent.

**SECOND CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '964 PATENT IN VIOLATION OF 35 U.S.C. § 271(b)**

8. Blackmagic received notice of infringement of the '964 patent, at least by a letter sent to the General Manager of Teranex on July 6, 2006. Blackmagic advertises Teranex 2D and 3D processors. Blackmagic tells potential customers that these products perform up conversion and de-interlacing:

Teranex quality starts with one of the world's highest quality and most precise de-interlacers. Teranex features proprietary and patented PixelMotion de-interlacing algorithms so you get improved image quality by maintaining vertical resolution.

When converting from NTSC or PAL SD up to 720HD or 1080HD, Teranex is perfect because it features a wide range of aspect ratio options and multi-direction diagonal filters so "jaggies" are eliminated and you get clean HD looking images!

<http://www.blackmagicdesign.com/products/teranex/processing/>. Blackmagic advises customers of product pricing and where to obtain its products. Blackmagic encourages its customers to buy and use the accused products, and therefore induces infringement of at least claims 1-7, 9, and 11-13 of the '964 patent within the meaning of 35 U.S.C. § 271(b).

**THIRD CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '929 PATENT IN VIOLATION OF 35 U.S.C. § 271(a)**

9. Blackmagic sells products that are covered by claims of the '929 patent. The products include the Teranex 2D Processor, the Teranex 3D processor, and the Teranex VC100 video processor. These products perform up conversion and de-interlacing:

Teranex quality starts with one of the world's highest quality and most precise de-interlacers. Teranex features proprietary and patented PixelMotion de-interlacing algorithms so you get improved image quality by maintaining vertical resolution.

When converting from NTSC or PAL SD up to 720HD or 1080HD, Teranex is perfect because it features a wide range of aspect ratio options and multi-direction diagonal filters so “jaggies” are eliminated and you get clean HD looking images!

<http://www.blackmagicdesign.com/products/teranex/processing/>. Additional products may be identified when discovery is available.

10. Blackmagic has made, used, offered for sale, sold, and/or imported products including those described in paragraph 9 above. These acts by Blackmagic have directly infringed at least claims 1, 3, 4, 7, 16, 18, 19 and 23 of the ‘929 patent within the meaning of 35 U.S.C. § 271(a). Exhibit H to this Complaint is a claim chart for the ‘929 patent.

**FOURTH CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE ‘851 PATENT IN VIOLATION OF 35 U.S.C. § 271(a)**

11. Blackmagic sells products that are covered by claims of the ‘851 patent. The products include the Teranex 2D Processor, the Teranex 3D processor, and the Teranex VC100 video processor. These products perform up conversion and de-interlacing:

Teranex quality starts with one of the world’s highest quality and most precise de-interlacers. Teranex features proprietary and patented PixelMotion de-interlacing algorithms so you get improved image quality by maintaining vertical resolution.

When converting from NTSC or PAL SD up to 720HD or 1080HD, Teranex is perfect because it features a wide range of aspect ratio options and multi-direction diagonal filters so “jaggies” are eliminated and you get clean HD looking images!

<http://www.blackmagicdesign.com/products/teranex/processing/>. Additional products may be identified when discovery is available.

12. Blackmagic has made, used, offered for sale, sold, and/or imported products including those described in paragraph 11 above. These acts by Blackmagic have directly infringed at least claims 1, 2, 4, 6, 7-10, 12 and 23-31 of the ‘851 patent within the meaning of 35 U.S.C. § 271(a). Exhibit I to this Complaint is a claim chart for the ‘851 patent.

**FIFTH CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '842 PATENT IN VIOLATION OF 35 U.S.C. § 271(a)**

13. Blackmagic sells products that are covered by claims of the '842 patent, including products and systems for video storage, delay and synchronization with tracking and companion tracking audio delays such as the Open Gear UpDownCross Converter and ATEM Production Switchers. Additional products may be identified when discovery is available.

14. Blackmagic has made, used, offered for sale, sold, and/or imported products including those described in paragraph 13 above. These acts by Blackmagic have directly infringed at least claims 1-4, 8-10, 12-17, 19-21, 23-29 and 31-34 of the '842 patent within the meaning of 35 U.S.C. § 271(a). Exhibit J to this Complaint is a claim chart for the '842 patent.

**SIXTH CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '411 PATENT IN VIOLATION OF 35 U.S.C. § 271(a)**

15. Blackmagic sells products that are covered by the '411 patent, including various products incorporating the LMH1981 video sync separators, such as the Smart Videohub. Additional products may be identified when discovery is available.

16. Blackmagic has made, used, offered for sale, sold, and/or imported products including those described in paragraph 15 above. These acts by Blackmagic have directly infringed at least claims 1-8, 22 and 38 of the '411 patent within the meaning of 35 U.S.C. § 271(a). Exhibit K to this Complaint is a claim chart for the '411 patent.

**SEVENTH CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '411 PATENT IN VIOLATION OF 35 U.S.C. § 271(b)**

17. Blackmagic received notice of infringement of the '411 patent, at least by a letter sent to its Chief Executive Officer on August 22, 2011. Blackmagic advertises a variety of videohub products. Blackmagic tells potential customers that these products incorporate a "Reference Input" connection for use with "Blackburst and TriSync for SD, HD and 2K" analog

video reference signals which use two level (Standard Definition) or three level (High Definition) sync pulses. See <http://www.blackmagicdesign.com/products/videohub/techspecs/>. This use requires separating those sync pulses when the customers utilize the product. Blackmagic advises customers of product pricing, and where to obtain the products. Blackmagic encourages its customers to buy and use the accused products, and therefore induces infringement of at least claims 1-8, 22 and 38 of the '411 patent within the meaning of 35 U.S.C. § 271(b).

**EIGHTH CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '412 PATENT IN VIOLATION OF 35 U.S.C. § 271(a)**

18. Blackmagic sells products that are covered by the '412 patent, including various products incorporating the LMH1981 video sync separators, such as the Smart Videohub. Additional products may be identified when discovery is available.

19. Blackmagic has made, used, offered for sale, sold, and/or imported products including those described in paragraph 18 above. These acts by Blackmagic have directly infringed at least claims 1-4, 6, 10, 11, 27-34 and 39-41 of the '412 patent within the meaning of 35 U.S.C. § 271(a). Exhibit L to this Complaint is a claim chart for the '412 patent.

**NINTH CLAIM FOR RELIEF FOR INFRINGEMENT
OF THE '412 PATENT IN VIOLATION OF 35 U.S.C. § 271(b)**

20. Blackmagic received notice of infringement of the '412 patent, at least by a letter sent to its Chief Executive Officer on August 22, 2011. Blackmagic advertises a variety of videohub products. Blackmagic tells potential customers that these products incorporate a "Reference Input" connection for use with "Blackburst and TriSync for SD, HD and 2K" analog video reference signals which use two level (Standard Definition) or three level (High Definition) sync pulses. See <http://www.blackmagicdesign.com/products/videohub/techspecs/>.

This use requires separating those sync pulses when the customers utilize the product.

Blackmagic advises customers of product pricing, and where to obtain the products. Blackmagic encourages its customers to buy and use the accused products, and therefore induces infringement of at least claims 1-4, 6, 10, 11, 27-34 and 39-41 of the '412 patent within the meaning of 35 U.S.C. § 271(b).

21. Blackmagic's infringement of the '964, '929, '851, '842, '411 and '412 patents has injured TLC, and TLC is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

22. Blackmagic received notice of infringement of the '964, '411 and '412 patents. Nevertheless, its infringing activities have continued. The infringement of those patents is willful.

RELIEF SOUGHT

TLC respectfully requests this Court enter judgment against the Defendant, and against its subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, employees, and all persons in active concert or participation with them, as follows:

- A. The entry of a final judgment in favor of TLC;
- B. An award to TLC of such damages as it shall prove at trial against Defendant Blackmagic that is adequate to compensate for its infringement of the '964, '929, '851, '842, '411 and '412 patents, said damages to be no less than a reasonable royalty, together with prejudgment interest from the date infringement of each of the patents began;
- C. A determination that this case is exceptional pursuant to 35 U.S.C. § 285 and an award to TLC of the costs of this action and its reasonable attorneys' fees; and

D. Such other relief as TLC is entitled to recover under any applicable law and as this Court or a jury may determine to be proper and just.

JURY DEMAND

TLC hereby demands a trial by jury on all issues triable to a jury in this case.

Dated: June 10, 2013

Respectfully submitted,

/s/ Joseph N. Hosteny

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