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10	Attorneys for Plaintiff McRO, Inc., d.b.a. Planet Blue		
11	UNITED STATES DISTRICT COURT		
12	CENTRAL DISTRICT OF CALIFORNIA		
13	SOUTHERN DIVISION		
14			
15 16	McRO, Inc., dba Planet Blue,	CASE No. SACV13-01872 GW (FFMx)	
17	Plaintiff,	FIRST AMENDED COMPLAINT	
18	V.	FOR PATENT INFRINGEMENT	
19		JURY TRIAL DEMANDED	
20	Tecmo Koei America Corporation and Tecmo Koei Games Co., Ltd.		
21	Defendants		
22	Defendants.		
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FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

McRo, Inc., d.b.a. Planet Blue ("Planet Blue"), brings this First Amended Complaint for patent infringement against Tecmo Koei America Corporation ("Tecmo") (identified as Tecmo Koei Corporation in the original Complaint) and Tecmo Koei Games Co., Ltd. ("Tecmo Games"), (identified as Tecmo Koei Holdings Co., Ltd. in the original Complaint)¹ and hereby states as follows:

NATURE OF THE ACTION

This is an action for patent infringement of United States Patent No. 6,307,576 (the "'576 Patent") and United States Patent No. 6,611,278 (the "'278 Patent") (collectively, the "Patents-in-Suit") under the Patent Laws of the United States, 35 U.S.C. § 1, *et seq.*, and seeking damages and injunctive and other relief under 35 U.S.C. § 281, *et seq.*.

PARTIES

- 1. Planet Blue is a corporation existing under the laws of Delaware, with its principal place of business at Santa Monica, California. Planet Blue is actively involved in the advertising industry as a computer graphic, visual effects, and animation services company, which services utilize methods covered by the Patents-in-Suit.
- 2. Upon information and belief, Defendant Tecmo Koei Games Co., Ltd. is a corporation operating and existing under the laws of Japan, with its principal place of business at 1-18-12 Minowa-cho, Kouhoku-ku, Yokohama 223-8503, Japan. Tecmo Koei Games Co., Ltd. is engaged in the business of publishing computer and/or video games.
- 3. Upon information and belief, Defendant Tecmo Koei America Corporation is a subsidiary of Tecmo Games, and a corporation existing under the laws of California, with its principal place of business at 1818 Gilbreth Rd., Suite

¹ Tecmo Koei Corporation and Tecmo Koei Holdings Co., Ltd. were erroneously named in the original Complaint.

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235, Burlingame, California. Tecmo Koei America Corporation is engaged in the business of developing and publishing computer and/or video games.

JURISDICTION AND VENUE

- 4. This is a complaint for patent infringement under 35 U.S.C. § 271. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 5. Upon information and belief, this Court has personal jurisdiction over Tecmo and Tecmo Games because Tecmo and Tecmo Games are doing and have done substantial business in this District, including business relating to the advertising, sale, and distribution for sale of computer and/or video games made using the methods claimed in the Patents-in-Suit.
- 6. Venue is proper in this judicial district as to Tecmo and Tecmo Games pursuant to 28 U.S.C. §§ 1391 and 1400(b), because Tecmo and Tecmo Games are subject to personal jurisdiction in this judicial district and have committed acts of infringement in this judicial district.

FACTUAL BACKGROUND

- 7. Planet Blue is a small visual effects company that creates computer graphics and animations. Planet Blue was founded in 1988 by Maury Rosenfeld, who has been the sole owner of Planet Blue since 1993.
- 8. Mr. Rosenfeld has worked as a successful computer graphics/visual effects designer and animator for over twenty years. During the late 1980s, Mr. Rosenfeld won an Emmy award for his work on the show "Secrets and Mysteries." Mr. Rosenfeld received a Monitor Award for his work on Pee Wee's Playhouse and he received an award from the National Computer Graphics Association for his work in the International Animation Competition for "Hidden Heroes." Mr. Rosenfeld worked with the teams that created the special effects for "Star Trek: The Next Generation" and "Max Headroom."
 - 9. Mr. Rosenfeld filed patent application no. 08/942,987 (the "'987

Application"), that would eventually issue as the '576 Patent, relating to a method for performing and animating lip synchronization and facial expressions on three-dimensional animated characters on October 2, 1997.

- 10. On October 23, 2001, the United States Patent and Trademark Office ("USPTO") duly and lawfully issued the '576 Patent, titled "Method for Automatically Animating Lip Synchronization and Facial Expression of Animated Characters." The '576 Patent is attached hereto as **Exhibit A**.
- 11. On August 26, 2003, the USPTO duly and lawfully issued the '278 Patent, titled "Method for Automatically Animating Lip Synchronization and Facial Expression of Animated Characters." The '278 Patent is attached hereto as **Exhibit B**.
- 12. On January 25, 2013, Planet Blue, through its attorneys, sent a letter to Tecmo notifying them of their infringement of the '576 and '278 Patents.
- 13. After receiving no response to Planet Blue's January 25, 2013 letter, on May 7, 2013, Planet Blue, through its attorneys, sent a second letter to Tecmo again notifying them of their infringement of the '576 and '278 Patents.
 - 14. Each of the Patents-in-Suit is valid and enforceable.
- 15. Planet Blue is the assignee of all rights, title, and interest in and to the Patents-in-Suit. Planet Blue holds the right to sue and recover damages for infringement thereof, including past infringement.
- 16. Unlike the traditional method of manually animating lip-synchronization, or a method using facial/video capture, the Patents-in-Suit cover a method and system for automating the lip-synchronization animation process and automating the animation of facial expression of three-dimensional animated characters, as used in computer and/or video games.
- 17. Upon information and belief, Tecmo and Tecmo Games, directly or through intermediaries (including distributers, retailers, and others), have acted and are acting to develop, publish, manufacture, import, ship, distribute, offer for

sale, sell, and/or advertise (including the provision of an interactive web page) the following computer and/or video games identified in **Exhibit C**. These computer and/or video games identified in Exhibit C have been and continue to be purchased by consumers in the United States, the State of California, and the Central District of California.

18. Upon information and belief, Tecmo employs software methods and processes to automate the animation of lip synchronization and facial expression for its three-dimensional characters during the creation and development of the computer and/or video games identified in Exhibit C. Upon further information and belief, Tecmo's uses of those lip synchronization and facial expression animation methods and processes to create the aforementioned computer and/or video games identified in Exhibit C infringe, either literally or by equivalents, one or more claims of the Patents-in-Suit in violation of 35 U.S.C. § 271.

COUNT I: INFRINGEMENT OF THE '576 PATENT

- 19. Planet Blue realleges and incorporates by reference paragraphs 1-18.
- 20. Upon information and belief, Tecmo and Tecmo Games, as part of the creation and development of the computer and/or video games identified in Exhibit C, have used and continue to use software processes in the United States for automatically performing and animating character lip synchronization using the phonetic structure of the words to be spoken by the characters and have made, used, offered to sell, sold, and/or imported, and continue to make, use, offer to sell, sell, and/or import, computer and/or video games created using those processes in the United States, including this judicial district. By using the aforementioned software processes, Tecmo has directly infringed the '576 Patent under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents. By using, offering to sell, selling, and/or importing computer and/or video games created using the aforementioned software processes, Tecmo and Tecmo Games have been and are now infringing the '576 Patent under 35 U.S.C. § 271(g), either literally or under

- the doctrine of equivalents. Tecmo has had knowledge of the '576 Patent since at least as early as January 25, 2013 as a result of correspondence between Planet Blue's attorneys and employees at Tecmo, and Tecmo's actions constitute knowing and willful infringement of the '576 Patent.
 - 21. Tecmo and Tecmo Games, by way of their infringing activities, have caused and continue to cause Planet Blue to suffer damages in an amount to be determined at trial. Planet Blue has no adequate remedy at law against Tecmo and Tecmo Games' acts of infringement and, unless Tecmo and Tecmo Games are enjoined from their infringement of the '576 Patent, Planet Blue will suffer irreparable harm.
 - 22. Planet Blue is in compliance with the requirements of 35 U.S.C. § 287.

COUNT II: INFRINGEMENT OF THE '278 PATENT

- 23. Planet Blue realleges and incorporates by reference paragraphs 1-22.
- 24. Upon information and belief, Tecmo and Tecmo Games, as part of the creation and development of the computer and/or video games identified in Exhibit C, have used and continue to use software processes in the United States for automatically performing and animating character lip synchronization using the phonetic structure of the words to be spoken by the characters and have made, used, offered to sell, sold, and/or imported, and continue to make, use, offer to sell, sell, and/or import, computer and/or video games created using those processes in the United States, including this judicial district. By using the aforementioned software processes, Tecmo has directly infringed the '278 Patent under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents. By using, offering to sell, selling, and/or importing computer and/or video games created using the aforementioned software processes, Tecmo and Tecmo Games have been and are now infringing the '278 Patent under 35 U.S.C. § 271(g), either literally or under the doctrine of equivalents. Tecmo has had knowledge of the '278 Patent since at

least as early as January 25, 2013 as a result of correspondence between Planet Blue's attorneys and employees at Tecmo, and Tecmo's actions constitute knowing and willful infringement of the '278 Patent.

- 25. Tecmo and Tecmo Games, by way of their infringing activities, have caused and continue to cause Planet Blue to suffer damages in an amount to be determined at trial. Planet Blue has no adequate remedy at law against Tecmo and Tecmo Games' acts of infringement and, unless Tecmo and Tecmo Games are enjoined from their infringement of the '278 Patent, Planet Blue will suffer irreparable harm.
- 26. Planet Blue is in compliance with the requirements of 35 U.S.C. § 287.

PRAYER FOR RELIEF

WHEREFORE, Planet Blue respectfully requests that this Court enter judgment in its favor as follows:

- A. Holding that Tecmo has willfully infringed the '576 Patent, either literally or under the doctrine of equivalents, under 35 U.S.C. § 271(a);
- B. Holding that Tecmo and Tecmo Games have willfully infringed the '576 Patent, either literally or under the doctrine of equivalents, under 35 U.S.C. § 271(g);
- C. Holding that Tecmo has willfully infringed the '278 Patent, either literally or under the doctrine of equivalents, under 35 U.S.C. § 271(a);
- D. Holding that Tecmo and Tecmo Games have willfully infringed the '278 Patent, either literally or under the doctrine of equivalents, under 35 U.S.C. § 271(g);
- E. Permanently enjoining Tecmo and Tecmo Games, and their officers, directors, agents, servants, employees, affiliates, divisions, branches, subsidiaries, parents and all others acting in concert or privity with any of them from infringing,

- inducing the infringement of, or contributing to the infringement of the '576 Patent;
- F. Permanently enjoining Tecmo and Tecmo Games, and their officers, directors, agents, servants, employees, affiliates, divisions, branches, subsidiaries, parents and all others acting in concert or privity with any of them from infringing, inducing the infringement of, or contributing to the infringement of the '278 Patent;
- G. Permanently enjoining the sale of the computer and/or video games created using the patented methods of the Patents-in-Suit;
- H. Awarding to Planet Blue the damages to which it is entitled under 35 U.S.C. § 284 for Tecmo and Tecmo Games' past infringement and any continuing or future infringement up until the date Tecmo and Tecmo Games are finally and permanently enjoined from further infringement, including both compensatory damages and treble damages for willful infringement;
- I. Declaring this to be an exceptional case and awarding Planet Blue attorneys' fees under 35 U.S.C. § 285;
 - J. Awarding Planet Blue costs and expenses in this action;
- K. Awarding Planet Blue pre- and post-judgment interest on its damages; and
- L. Awarding Planet Blue such other and further relief in law or in equity as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Planet Blue, under Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

Dated: December 30, 2013 Respectfully submitted,

RUSS AUGUST & KABAT

By: /s/ Irene Y. Lee Marc A. Fenster Irene Y. Lee

MISHCON DE REYA NEW YORK LLP Mark S. Raskin,

Attorneys for Plaintiff McRO, Inc., d.b.a. Planet Blue