

1 RUSS AUGUST & KABAT  
Marc A. Fenster, State Bar No. 181067  
2 Email: mfenster@raklaw.com  
Irene Y. Lee, State Bar No. 213625  
3 Email: ilee@raklaw.com  
12424 Wilshire Boulevard, 12<sup>th</sup> Floor  
4 Los Angeles, California 90025  
Telephone: 310.826.7474  
5 Facsimile: 310.826.6991

6 MISHCON DE REYA NEW YORK LLP  
Mark S. Raskin (*Pro Hac Vice Pending*)  
7 Email: mark.raskin@mishcon.com  
750 7<sup>th</sup> Avenue, 26<sup>th</sup> Floor  
8 New York, New York 10019  
Telephone: 212.612.3270  
9 Facsimile: 212.612.3297

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

11 **UNITED STATES DISTRICT COURT**  
12 **CENTRAL DISTRICT OF CALIFORNIA**

13  
14 **McRO, Inc., dba Planet Blue,**

15  
16 **Plaintiff,**

17 **v.**

18  
19 **Index Digital Media, Inc. and**  
20 **Index Corp.**

21 **Defendants.**

**CASE No. 13-cv-1870-GW (FFMx)**

**FIRST AMENDED COMPLAINT  
FOR PATENT INFRINGEMENT**

**Honorable George H. Wu**

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**COMPLAINT FOR PATENT INFRINGEMENT**

McRo, Inc., d.b.a. Planet Blue (“Planet Blue”), brings this First Amended Complaint for patent infringement against Index Digital Media, Inc. (“Index USA”) and Index Corp. (“Index Japan”) (collectively, “Index” or “Defendants”), 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 Index Corp. is a corporation operating and existing under the laws of Japan, with its principal place of business at 4-1-1 Taishido, Setagaya-ku, Tokyo, Japan. Index Corp. is engaged in the business of publishing computer and/or video games.

3. Upon information and belief, Defendant Index Digital Media, Inc. is a subsidiary of Index Corp. and a corporation existing under the laws of California, with its principal place of business at 6400 Oak Canyon, Suite 100, Irvine, California. Index Digital Media, Inc. 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.

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1 This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and  
2 1338(a).

3 5. Upon information and belief, this Court has personal jurisdiction over  
4 Index Japan and Index USA because Index Japan and Index USA are doing and  
5 have done substantial business in this District, including business relating to the  
6 advertising, sale, and distribution for sale of computer and/or video games made  
7 using the methods claimed in the Patents-in-Suit.

8 6. Venue is proper in this judicial district as to Index Japan and Index  
9 USA pursuant to 28 U.S.C. §§ 1391 and 1400(b), because Index Japan and Index  
10 USA are subject to personal jurisdiction in this judicial district and have committed  
11 acts of infringement in this judicial district.

12 **FACTUAL BACKGROUND**

13 7. Planet Blue is a small visual effects company that creates computer  
14 graphics and animations. Planet Blue was founded in 1988 by Maury Rosenfeld,  
15 who has been the sole owner of Planet Blue since 1993.

16 8. Mr. Rosenfeld has worked as a successful computer graphics/visual  
17 effects designer and animator for over twenty years. During the late 1980s, Mr.  
18 Rosenfeld won an Emmy award for his work on the show “Secrets and Mysteries.”  
19 Mr. Rosenfeld received a Monitor Award for his work on Pee Wee’s Playhouse  
20 and he received an award from the National Computer Graphics Association for his  
21 work in the International Animation Competition for “Hidden Heroes.” Mr.  
22 Rosenfeld worked with the teams that created the special effects for “Star Trek:  
23 The Next Generation” and “Max Headroom.”

24 9. Mr. Rosenfeld filed patent application no. 08/942,987 (the “’987  
25 Application”), that would eventually issue as the ’576 Patent, relating to a method  
26 for performing and animating lip synchronization and facial expressions on three-  
27 dimensional animated characters on October 2, 1997.

28 10. On October 23, 2001, the United States Patent and Trademark Office

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1 (“USPTO”) duly and lawfully issued the ’576 Patent, titled “Method for  
2 Automatically Animating Lip Synchronization and Facial Expression of Animated  
3 Characters.” The ’576 Patent is attached hereto as **Exhibit A**.

4 11. On August 26, 2003, the USPTO duly and lawfully issued the ’278  
5 Patent, titled “Method for Automatically Animating Lip Synchronization and  
6 Facial Expression of Animated Characters.” The ’278 Patent is attached hereto as  
7 **Exhibit B**.

8 12. On January 29, 2013, Planet Blue, through its attorneys, sent a letter to  
9 Index notifying them of their infringement of the '576 and '278 Patents.

10 13. After receiving no response to Planet Blue's January 29, 2013 letter,  
11 on May 6, 2013, Planet Blue, through its attorneys, sent a second letter to Index  
12 again notifying them of their infringement of the '576 and '278 Patents.

13 14. Each of the Patents-in-Suit is valid and enforceable.

14 15. Planet Blue is the assignee of all rights, title, and interest in and to the  
15 Patents-in-Suit. Planet Blue holds the right to sue and recover damages for  
16 infringement thereof, including past infringement.

17 16. Unlike the traditional method of manually animating lip-  
18 synchronization, or a method using facial/video capture, the Patents-in-Suit cover  
19 a method and system for automating the lip-synchronization animation process  
20 and automating the animation of facial expression of three-dimensional animated  
21 characters, as used in computer and/or video games.

22 17. Upon information and belief, Index Japan and Index USA, directly or  
23 through intermediaries (including distributors, retailers, and others), have acted  
24 and are acting to develop, publish, manufacture, import, ship, distribute, offer for  
25 sale, sell, and/or advertise (including the provision of an interactive web page) the  
26 following computer and/or video games identified in **Exhibit C**. These computer  
27 and/or video games identified in Exhibit C have been and continue to be  
28

1 purchased by consumers in the United States, the State of California, and the  
2 Central District of California.

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

11 **COUNT I: INFRINGEMENT OF THE '576 PATENT**

12 19. Planet Blue realleges and incorporates by reference paragraphs 1-18.

13 20. Upon information and belief, Index Japan and Index USA, as part of  
14 the creation and development of the computer and/or video games identified in  
15 Exhibit C, have used and continue to use software processes in the United States  
16 for automatically performing and animating character lip synchronization using the  
17 phonetic structure of the words to be spoken by the characters and have made,  
18 used, offered to sell, sold, and/or imported, and continue to make, use, offer to sell,  
19 sell, and/or import, computer and/or video games created using those processes in  
20 the United States, including this judicial district. By using the aforementioned  
21 software processes, Index has directly infringed the '576 Patent under 35 U.S.C. §  
22 271(a), either literally or under the doctrine of equivalents. By using, offering to  
23 sell, selling, and/or importing computer and/or video games created using the  
24 aforementioned software processes, Index Japan and Index USA have been and are  
25 now infringing the '576 Patent under 35 U.S.C. § 271(g), either literally or under  
26 the doctrine of equivalents. Index has had knowledge of the '576 Patent since at  
27 least as early as January 29, 2013 as a result of correspondence between Planet  
28 Blue's attorneys and employees at Index, and Index USA's actions constitute

1 knowing and willful infringement of the '576 Patent.

2 21. Index Japan and Index USA, by way of its infringing activities, have  
3 caused and continue to cause Planet Blue to suffer damages in an amount to be  
4 determined at trial. Planet Blue has no adequate remedy at law against Index  
5 Japan and Index USA's acts of infringement and, unless Index Japan and Index  
6 USA are enjoined from its infringement of the '576 Patent, Planet Blue will suffer  
7 irreparable harm.

8 22. Planet Blue is in compliance with the requirements of 35  
9 U.S.C. § 287.

10 **COUNT II: INFRINGEMENT OF THE '278 PATENT**

11 23. Planet Blue realleges and incorporates by reference paragraphs 1-22.

12 24. Upon information and belief, Index Japan and Index USA, as part of  
13 the creation and development of the computer and/or video games identified in  
14 Exhibit C, have used and continue to use software processes in the United States  
15 for automatically performing and animating character lip synchronization using the  
16 phonetic structure of the words to be spoken by the characters and have made,  
17 used, offered to sell, sold, and/or imported, and continues to make, use, offer to  
18 sell, sell, and/or import, computer and/or video games created using those  
19 processes in the United States, including this judicial district. By using the  
20 aforementioned software processes, Index has directly infringed the '278 Patent  
21 under 35 U.S.C. § 271(a), either literally or under the doctrine of equivalents. By  
22 using, offering to sell, selling, and/or importing computer and/or video games  
23 created using the aforementioned software processes, Index Japan and Index USA  
24 have been and are now infringing the '278 Patent under 35 U.S.C. § 271(g), either  
25 literally or under the doctrine of equivalents. Index has had knowledge of the '278  
26 Patent since at least as early as January 29, 2013 as a result of correspondence  
27 between Planet Blue's attorneys and employees at Index, and Index USA's actions  
28 constitute knowing and willful infringement of the '278 Patent.



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1 F. Permanently enjoining Index Japan and Index USA and their officers,  
2 directors, agents, servants, employees, affiliates, divisions, branches, subsidiaries,  
3 parents and all others acting in concert or privity with any of them from infringing,  
4 inducing the infringement of, or contributing to the infringement of the '278  
5 Patent;

6 G. Permanently enjoining the sale of the computer and/or video games  
7 created using the patented methods of the Patents-in-Suit;

8 H. Awarding to Planet Blue the damages to which it is entitled under 35  
9 U.S.C. § 284 for Index USA's and Index Japan's past infringement and any  
10 continuing or future infringement up until the date Index USA and Index Japan are  
11 finally and permanently enjoined from further infringement, including both  
12 compensatory damages and treble damages for willful infringement;

13 I. Declaring this to be an exceptional case and awarding Planet Blue  
14 attorneys' fees under 35 U.S.C. § 285;

15 J. Awarding Planet Blue costs and expenses in this action;

16 K. Awarding Planet Blue pre- and post-judgment interest on its damages;  
17 and

18 L. Awarding Planet Blue such other and further relief in law or in equity  
19 as this Court deems just and proper.  
20

21 Dated: January 10, 2014

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

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**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: January 10, 2014

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

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