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12 UNITED STATES DISTRICT COURT
13 NORTHERN DISTRICT OF CALIFORNIA
14 SAN FRANCISCO DIVISION

15 INNOVATIVE AUTOMATION LLC,
16 Plaintiff,
17
18 v.
19 KALEIDESCAPE, INC.,
20 Defendant.

Case No. 13-5651

**COMPLAINT FOR
PATENT INFRINGEMENT**

DEMAND FOR JURY TRIAL

December 6, 2013

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1 Plaintiff Innovative Automation LLC states its Complaint against
2 defendant Kaleidescape, Inc., and alleges as follows:

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4 **The Parties**

5 1. Plaintiff Innovative Automation LLC is a limited liability company
6 organized and existing under the laws of the State of California, with its
7 principal place of business at 606 North First Street, San Jose, California
8 95112.

9 2. Defendant Kaleidescape, Inc. is a corporation organized and existing
10 under the laws of Delaware, with its principal place of business in Sunnyvale,
11 CA 94085-4117.

12 **Jurisdiction and Venue**

13 3. Plaintiff realleges and incorporates by reference the above paragraphs
14 of this Complaint, inclusive, as though fully set forth herein.

15 4. This action is for patent infringement pursuant to the patent laws of
16 the United States, 35 U.S.C. § 1, *et seq.* This Court has subject matter
17 jurisdiction over the action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

18 5. This Court has personal jurisdiction over Defendant because, on
19 information and belief, Defendant does and has done substantial business in
20 this judicial District, including (i) maintaining its principal place of business in
21 this judicial District; (ii) committing acts of patent infringement and/or
22 contributing to or inducing acts of patent infringement by others in this judicial
23 District and elsewhere in California; and (iii) regularly doing business or
24 soliciting business, engaging in other persistent courses of conduct, and/or
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1 deriving substantial revenue from products and/or services provided to persons
2 in this District and in this State.

3 6. Venue is proper in this judicial District pursuant to 28 U.S.C. §§ 1391
4 and 1400(b) because: (i) Defendant resides in this judicial District; (ii) a
5 substantial part of the events giving rise to the claims occurred in this judicial
6 District; and (iii) Defendant has committed acts of infringement in this District.
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8 **Count One: Infringement of U.S. Patent No. 7,174,362 C1**

9 7. Plaintiff realleges and incorporates by reference the above paragraphs
10 of this Complaint, inclusive, as though fully set forth herein.

11 8. Plaintiff is the owner of all right, title, and interest in United States
12 Patent No. 7,174,362 C1, entitled “Method and System for Supplying Products
13 from Pre-Stored Digital Data in Response to Demands Transmitted via
14 Computer Network,” duly and legally issued by the United States Patent and
15 Trademark Office on February 6, 2007 (the “’362 patent”). A true and correct
16 copy of the ’362 patent is attached hereto as Exhibit A.

17 9. The ’362 patent generally describes and claims a computer-
18 implemented method of digital data duplication. In the method of claim 1 of
19 the ’362 patent, a request is taken at one or more user interfaces and is
20 transmitted through a network to a computer. The computer contains a
21 module to create a task log based on incoming requests; a module for storing
22 the necessary data; and a module to create a subset of the data, download that
23 subset to an output device, and command the device to transfer the subset onto
24 blank media. The request is assigned to an output device, and the duplication
25 process is executed. Claims 2-26 of the ’362 patent describe various other
26 methods and systems of digital data duplication.
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10. Defendant has infringed and continues to infringe, literally and/or under the doctrine of equivalents, one or more claims of the '362 patent under 35 U.S.C. § 271 by making, using, offering to sell, selling, and/or importing into the United States the patented invention within the United States. Specifically, Defendant has infringed and continues to infringe the '362 patent by making, using, offering to sell, selling, and/or importing into the United States the Kaleidescape entertainment systems (including the Kaleidescape servers, players, and the Kaleidescape Store) that enable the duplication of digital data corresponding to movies and music.

11. As a result of Defendant's infringing activities with respect to the '362 patent, Plaintiff has suffered damages in an amount not yet ascertained. Plaintiff is entitled to recover damages adequate to compensate it for Defendant's infringing activities in an amount to be determined at trial, but in no event less than reasonable royalties, together with interest and costs. Defendant's infringement of Plaintiff's exclusive rights under the '362 patent will continue to damage Plaintiff, causing irreparable harm for which there is no adequate remedy at law, unless enjoined by this Court.

Prayer for Relief

Plaintiff requests entry of judgment in its favor against Defendant for the following:

- a) A declaration that Defendant has infringed one or more claims of the '362 patent;
- b) An award of damages adequate to compensate Plaintiff for Defendant's infringement of the '362 patent, but in no event less than a reasonable royalty,

1 together with prejudgment and post-judgment interest and costs, in an amount
2 according to proof;

3 c) An entry of a permanent injunction enjoining Defendant, and its
4 respective officers, agents, employees, and those acting in privity with it, from
5 further infringement of the '362 patent, or in the alternative, awarding a
6 royalty for post-judgment infringement; and

7 d) An award to Plaintiff of such other costs and further relief as the Court
8 may deem just and proper.

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10 **Demand for Jury Trial**

11 Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff
12 respectfully requests a trial by jury.

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14 Dated: December 6, 2013

Respectfully submitted,

GUTRIDE SAFIER LLP

/s/ Marie A. McCrary

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