

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

VSTREAM TECHNOLOGIES, LLC,

Plaintiff,

v.

RICOH IMAGING AMERICAS CORPORATION, RICOH AMERICAS CORPORATION, RICOH USA INC., RICOH IMAGING COMPANY LTD., AND RICOH COMPANY LTD.,

Defendants.

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Case No.:

**COMPLAINT FOR PATENT
INFRINGEMENT**

JURY TRIAL DEMANDED

PLAINTIFF'S COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff VStream Technologies, LLC (“Plaintiff” or “VStream”), by and through its undersigned counsel, files this Complaint for Patent Infringement against Ricoh Imaging Americas Corporation, Ricoh Americas Corporation, Ricoh, USA Inc., Ricoh Imaging Company Ltd., and Ricoh Company Ltd. (“Defendants”) as follows:

NATURE OF THE ACTION

1. This lawsuit pertains to the Defendants' infringement of each of the following U.S. Patents: (1) U.S. Patent No. 6,690,731 titled "Method and Apparatus for Diagonal Processing of Video Data" (the "'731 Patent"); (2) U.S. Patent No. 8,179,971 titled "Method and Apparatus for Video Data Compression" (the "'971 Patent"); (3) U.S. Patent No. 6,850,647 titled "System, Method, and Article of Manufacture for Decompressing Digital Camera Sensor Data" (the "'647 Patent"); (4) U.S. Patent No. 7,627,183 titled "System, Method, and Article of Manufacture for Decompressing Digital Camera Sensor Data" (the "'183 Patent"); and (5) U.S. Patent No. 7,489,824 titled "System, Method, and Article of Manufacture for Decompressing Digital Camera Sensor Data" (the "'824 Patent"). Copies of the '731, '971, '647, '183, and '824 Patents are attached to this Complaint as Exhibits A through E, respectively. This Complaint will refer to the patents asserted in this lawsuit collectively as the "Patents."

PARTIES

2. Plaintiff VStream Technologies LLC is a Limited Liability Company organized under the laws of Texas. VStream is the assignee of all rights, title, and interest in and to the Patents and possesses all rights of recovery under the Patents.

3. On information and belief, Ricoh Imaging Americas Corporation is a Delaware corporation with its principal place of business at 633 17th Street, Suite

2600, Denver, Colorado 80202. On information and belief, Ricoh Imaging Americas Corporation may be served with process by serving its registered agent: CT Corporation System, 1999 Bryan St., Suite 900, Dallas, Texas 75201. On information and belief, Ricoh Imaging Americas Corporation is doing business in this judicial district, in Texas, and elsewhere throughout the United States. On information and belief, Ricoh Imaging Americas Corporation's products accused of infringement in this Complaint are and have been offered for sale and sold in this and other judicial districts for a period not yet known but continuing to this date.

4. On information and belief, Ricoh Americas Corporation is a Delaware corporation with its principal place of business at 70 Valley Stream Parkway, Malvern, Pennsylvania 19355. On information and belief, Ricoh Americas Corporation may be served with process by serving its registered agent: CT Corporation System, 1999 Bryan St., Suite 900, Dallas, Texas 75201. On information and belief, Ricoh Americas Corporation is doing business in this judicial district, in Texas, and elsewhere throughout the United States. On information and belief, Ricoh Americas Corporation's products accused of infringement in this Complaint are and have been offered for sale and sold in this and other judicial districts for a period not yet known but continuing to this date.

5. On information and belief, Ricoh USA Inc. is an Ohio corporation with its principal place of business at 70 Valley Stream Parkway, Malvern, Pennsylvania

19355. On information and belief, Ricoh USA Inc. may be served with process by serving its registered agent: CT Corporation System, 1999 Bryan St., Suite 900, Dallas, Texas 75201. On information and belief, Ricoh USA Inc. is doing business in this judicial district, in Texas, and elsewhere throughout the United States. On information and belief, Ricoh USA Inc.'s products accused of infringement in this Complaint are and have been offered for sale and sold in this and other judicial districts for a period not yet known but continuing to this date.

6. On information and belief, Ricoh Imaging Company Ltd. is a Japanese limited company with its principal place of business at 2-35-7, Maeno-cho, Itabashi-ku, Tokyo 174-8639 Japan. On information and belief, Ricoh Imaging Company Ltd. may be served with process by serving its domestic subsidiaries named herein. Alternatively, Ricoh Imaging Company Ltd. may be served with process by serving it in Japan pursuant to the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. On information and belief, Ricoh Imaging Company Ltd. is doing business in this judicial district, in Texas, and elsewhere throughout the United States. On information and belief, Ricoh Imaging Company Ltd.'s products accused of infringement in this Complaint are and have been offered for sale and sold in this and other judicial districts for a period not yet known but continuing to this date.

7. On information and belief, Ricoh Company Ltd. is a Japanese limited company with its principal place of business at 8-13-1 Ginza, Chuo-ku, Tokyo, 104-8222 Japan. On information and belief, Ricoh Company Ltd. may be served with process by serving its domestic subsidiaries named herein. Alternatively, Ricoh Company Ltd. may be served with process by serving it in Japan pursuant to the Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters. On information and belief, Ricoh Imaging Americas Corporation, Ricoh Americas Corporation, Ricoh, USA Inc., and Ricoh Imaging Company Ltd. are subsidiaries of and/or affiliated with Ricoh Company Ltd. On information and belief, Ricoh Imaging Company Ltd. and/or Ricoh Company Ltd. manufacture the products alleged to infringe in this Complaint and/or control the decisions of Ricoh Imaging Americas Corporation, Ricoh Americas Corporation, and Ricoh, USA Inc. to infringe or license the Patents herein as agents of the principal parent companies, Ricoh Imaging Company Ltd. and Ricoh Company Ltd. This complaint will refer to Ricoh Imaging Americas Corporation, Ricoh Americas Corporation, Ricoh USA Inc., Ricoh Imaging Company Ltd., and Ricoh Company Ltd. as “Ricoh” or “Defendants.” On information and belief, Ricoh is doing business in this judicial district, in Texas, and elsewhere throughout the United States. For example, on information and belief, Ricoh operates several stores in this district, including a “Ricoh Business Solutions” store located at 500

Central Expy, #360, Plano, Texas 75074, and an “Ikon Office Solutions” store located at 2000 Loy Lake Road, Sherman, Texas 75090. On information and belief, Ricoh’s products accused of infringement in this Complaint are and have been offered for sale and sold in this and other judicial districts for a period not yet known but continuing to this date.

JURISDICTION AND VENUE

8. This action arises under the Patent Laws of the United States, 35 U.S.C. § 101 *et seq.*, including 35 U.S.C. § 271. This Court has original and exclusive subject matter jurisdiction over this case for patent infringement under 28 U.S.C. §§ 1331 and 1338(a).

9. The Court has personal jurisdiction over each Defendant. On information and belief, each Defendant has conducted and does conduct business within the State of Texas. On information and belief, each Defendant, directly and/or through intermediaries (including distributors, retailers, and others), offers for sale, sells, advertises, and/or uses its products and services (including the products accused of infringement in this lawsuit) in the United States, the State of Texas, and the Eastern District of Texas. On information and belief, each Defendant, directly and/or through intermediaries, has committed patent infringement within the State of Texas, and, more particularly, within the Eastern District of Texas. On information and belief, each Defendant, has purposefully and

voluntarily placed one or more infringing products into the stream of commerce with the expectation that they will be purchased by consumers in the Eastern District of Texas. On information and belief, each Defendant is subject to general and/or specific jurisdiction in this Court.

10. Venue is proper in the Eastern District of Texas under 28 U.S.C. §§ 1391 and 1400(b).

FACTUAL BACKGROUND

11. The Patents are generally directed to methods, systems, apparatus, and articles of manufacture for encoding and decoding signals representative of image and/or video signals (*i.e.*, “video compression” or “video decompression”).

12. Video compression and decompression techniques are used in many industries that involve either the transmission of images from one location to another and/or the manufacture or sale of devices to receive or store image and/or video signals. These industries include, for example: content providers; cable and satellite companies; teleconferencing providers; television, electronics and smartphone manufacturers; television broadcasters and digital media providers.

13. Video and/or image signals are encoded (compressed) prior to being stored on a medium or transmitted over a medium. The image or video signals are decoded (decompressed) when read from the storage medium or received at the other end of a transmission. The decoding will either recreate the original image

and/or video signal in its entirety (“lossless” compression techniques) or will produce a close approximation of the original signal (“lossy” compression techniques). Compression and decompression techniques reduce the amount of data required to store, transmit, and reproduce image and/or video signals.

14. Michael Gough is the primary inventor of each of the Patents. He is a self-made man and prolific inventor. In 1978, at age seventeen, he began working on technology in the defense industry. He taught himself computer science and software technology. He became so adept that in 1987, he caught the attention of a young company in California—Apple. Gough began work at Apple in January 1988. Over his time at Apple, he was an inventor of fourteen patents assigned to Apple. Gough worked at Apple until December 1996.

15. On February 10, 2004, the U.S. Patent and Trademark Office (“USPTO”) issued the ’731 Patent to Michael L. Gough and James J. Gough. VStream is now the sole owner of the ’731 Patent and possesses all rights of recovery under the ’731 Patent.

16. On February 1, 2005, the USPTO issued the ’647 Patent to Michael L. Gough and Paul Miner. VStream is now the sole owner of the ’647 Patent and possesses all rights of recovery under the ’647 Patent.

17. On February 10, 2009, the USPTO issued the '824 Patent to Michael L. Gough and Paul Miner. VStream is now the sole owner of the '824 Patent and possesses all rights of recovery under the '824 Patent.

18. On December 1, 2009, the USPTO issued the '183 Patent to Michael L. Gough and Paul Miner. VStream is now the sole owner of the '183 Patent and possesses all rights of recovery under the '183 Patent.

19. On May 15, 2012, the USPTO issued the '971 Patent to Michael L. Gough and James J. Gough. VStream is now the sole owner of the '971 Patent and possesses all rights of recovery under the '971 Patent.

FIRST CLAIM FOR RELIEF
(Infringement of U.S. Patent 6,690,731)

20. VStream refers to and incorporates the allegations of Paragraphs 1-19 above.

21. Defendants have infringed and continue to infringe one or more claims of the '731 Patent, either literally or through equivalents in violation of 35 U.S.C. § 271(a) by manufacturing, using, selling, offering to sell, and/or marketing consumer electronics, including without limitation digital video cameras that implement the systems, methods, apparatus, and/or articles of manufacture claimed in the '731 Patent, including but not limited to the WG-M1 action camera.

22. On information and belief, Defendants have actively induced infringement of the '731 patent and are liable as infringers under 35 U.S.C. § 271(b). On information and belief, Defendants' customers use the products accused of infringement herein, including but not limited to the WG-M1 action camera, and such use directly infringes the '731 Patent. At least as of the date of this Complaint, Defendants have knowledge of the Patents and, on information and belief, have knowledge of actual infringement of the Patents by their customers. Defendants actively induce infringement by advertising the use of the accused products in an infringing manner and instructing their customers to use the accused products in an infringing manner. For example, and without limitation, the user guide for the WG-M1 action camera instructs users how to use the camera to capture HD video, which uses the image stabilization, image rotation, and dewarping functionality of Novatek processors. Defendants therefore infringe one or more claims of the '731 Patent in violation of 35 U.S.C. § 271(b) by inducing infringement of the '731 Patent.

23. VStream is entitled to recover from each Defendant the damages sustained by VStream as a result of each Defendant's wrongful acts in an amount subject to proof at trial.

24. Each Defendant's infringement of the '731 Patent is causing, and will continue to cause, irreparable harm to VStream for which there is no adequate remedy at law unless and until enjoined by this Court.

SECOND CLAIM FOR RELIEF
(Infringement of U.S. Patent 8,179,971)

25. VStream refers to and incorporates the allegations of Paragraphs 1-24 above.

26. Defendants have infringed and continue to infringe one or more claims of the '971 Patent, either literally or through equivalents in violation of 35 U.S.C. § 271(a) by manufacturing, using, selling, offering to sell, and/or marketing consumer electronics, including without limitation digital video cameras that implement the systems, methods, apparatus, and/or articles of manufacture claimed in the '971 Patent, including but not limited to the WG-M1 action camera.

27. On information and belief, Defendants have actively induced infringement of the '971 patent and are liable as infringers under 35 U.S.C. § 271(b). On information and belief, Defendants' customers use the products accused of infringement herein, including but not limited to the WG-M1 action camera, and such use directly infringes the '971 Patent. At least as of the date of this Complaint, Defendants have knowledge of the Patents and, on information and belief, have knowledge of actual infringement of the Patents by their customers.

Defendants actively induce infringement by advertising the use of the accused products in an infringing manner and instructing their customers to use the accused products in an infringing manner. For example, and without limitation, the user guide for the WG-M1 action camera instructs users how to use the camera to capture HD video, which uses the image stabilization, image rotation, and dewarping functionality of Novatek processors. Defendants therefore infringe one or more claims of the '971 Patent in violation of 35 U.S.C. § 271(b) by inducing infringement of the '971 Patent.

28. VStream is entitled to recover from each Defendant the damages sustained by VStream as a result of each Defendant's wrongful acts in an amount subject to proof at trial.

29. Each Defendant's infringement of the '971 Patent is causing, and will continue to cause, irreparable harm to VStream for which there is no adequate remedy at law unless and until enjoined by this Court.

THIRD CLAIM FOR RELIEF
(Infringement of U.S. Patent 6,850,647)

30. VStream refers to and incorporates the allegations of Paragraphs 1-29 above.

31. Defendants have infringed and continue to infringe one or more claims of the '647 Patent, either literally or through equivalents in violation of 35 U.S.C.

§ 271(a) by manufacturing, using, selling, offering to sell, and/or marketing consumer electronics, including without limitation digital video cameras that implement the systems, methods, apparatus, and/or articles of manufacture claimed in the '647 Patent, including but not limited to the WG-M1 action camera.

32. On information and belief, Defendants have actively induced infringement of the '647 patent and are liable as infringers under 35 U.S.C. § 271(b). On information and belief, Defendants' customers use the products accused of infringement herein, including but not limited to the WG-M1 action camera, and such use directly infringes the '647 Patent. At least as of the date of this Complaint, Defendants have knowledge of the Patents and, on information and belief, have knowledge of actual infringement of the Patents by their customers. Defendants actively induce infringement by advertising the use of the accused products in an infringing manner and instructing their customers to use the accused products in an infringing manner. For example, and without limitation, the user guide for the WG-M1 action camera instructs users how to connect the camera to an HDTV via an HDMI cable and to then playback HD video files on the TV. The user guide for the WG-M1 action camera further states that the camera records video in H.264/MPEG-4 AVC format, the decompression of which by certain techniques infringes the '647 Patent. Defendants further advertise the WG-M1 action camera as allowing customers to "review recorded movies on the spot."

Defendants therefore infringe one or more claims of the '647 Patent in violation of 35 U.S.C. § 271(b) by inducing infringement of the '647 Patent.

33. VStream is entitled to recover from each Defendant the damages sustained by VStream as a result of each Defendant's wrongful acts in an amount subject to proof at trial.

34. Each Defendant's infringement of the '647 Patent is causing, and will continue to cause, irreparable harm to VStream for which there is no adequate remedy at law unless and until enjoined by this Court.

FOURTH CLAIM FOR RELIEF
(Infringement of U.S. Patent 7,627,183)

35. VStream refers to and incorporates the allegations of Paragraphs 1-34 above.

36. Defendants have infringed and continue to infringe one or more claims of the '183 Patent, either literally or through equivalents in violation of 35 U.S.C. § 271(a) by manufacturing, using, selling, offering to sell, and/or marketing consumer electronics, including without limitation digital video cameras that implement the systems, methods, apparatus, and/or articles of manufacture claimed in the '183 Patent, including but not limited to the WG-M1 action camera.

37. On information and belief, Defendants have actively induced infringement of the '183 patent and are liable as infringers under 35 U.S.C.

§ 271(b). On information and belief, Defendants' customers use the products accused of infringement herein, including but not limited to the WG-M1 action camera, and such use directly infringes the '183 Patent. At least as of the date of this Complaint, Defendants have knowledge of the Patents and, on information and belief, have knowledge of actual infringement of the Patents by their customers. Defendants actively induce infringement by advertising the use of the accused products in an infringing manner and instructing their customers to use the accused products in an infringing manner. For example, and without limitation, the user guide for the WG-M1 action camera instructs users how to connect the camera to an HDTV via an HDMI cable and to then playback HD video files on the TV. The user guide for the WG-M1 action camera further states that the camera records video in H.264/MPEG-4 AVC format, the decompression of which by certain techniques infringes the '183 Patent. Defendants further advertise the WG-M1 action camera as allowing customers to "review recorded movies on the spot." Defendants therefore infringe one or more claims of the '183 Patent in violation of 35 U.S.C. § 271(b) by inducing infringement of the '183 Patent.

38. VStream is entitled to recover from each Defendant the damages sustained by VStream as a result of each Defendant's wrongful acts in an amount subject to proof at trial.

39. Each Defendant's infringement of the '183 Patent is causing, and will continue to cause, irreparable harm to VStream for which there is no adequate remedy at law unless and until enjoined by this Court.

FIFTH CLAIM FOR RELIEF
(Infringement of U.S. Patent 7,489,824)

40. VStream refers to and incorporates the allegations of Paragraphs 1-39 above.

41. Defendants have infringed and continue to infringe one or more claims of the '824 Patent, either literally or through equivalents in violation of 35 U.S.C. § 271(a) by manufacturing, using, selling, offering to sell, and/or marketing consumer electronics, including without limitation digital video cameras that implement the systems, methods, apparatus, and/or articles of manufacture claimed in the '824 Patent, including but not limited to the WG-M1 action camera.

42. On information and belief, Defendants have actively induced infringement of the '824 patent and are liable as infringers under 35 U.S.C. § 271(b). On information and belief, Defendants' customers use the products accused of infringement herein, including but not limited to the WG-M1 action camera, and such use directly infringes the '824 Patent. At least as of the date of this Complaint, Defendants have knowledge of the Patents and, on information and belief, have knowledge of actual infringement of the Patents by their customers.

Defendants actively induce infringement by advertising the use of the accused products in an infringing manner and instructing their customers to use the accused products in an infringing manner. For example, and without limitation, the user guide for the WG-M1 action camera instructs users how to connect the camera to an HDTV via an HDMI cable and to then playback HD video files on the TV. The user guide for the WG-M1 action camera further states that the camera records video in H.264/MPEG-4 AVC format, the decompression of which by certain techniques infringes the '824 Patent. Defendants further advertise the WG-M1 action camera as allowing customers to “review recorded movies on the spot.” Defendants therefore infringe one or more claims of the '824 Patent in violation of 35 U.S.C. § 271(b) by inducing infringement of the '824 Patent.

43. VStream is entitled to recover from each Defendant the damages sustained by VStream as a result of each Defendant's wrongful acts in an amount subject to proof at trial.

44. Each Defendant's infringement of the '824 Patent is causing, and will continue to cause, irreparable harm to VStream for which there is no adequate remedy at law unless and until enjoined by this Court.

JURY DEMAND

45. VStream demands a trial by jury on all issues.

PRAYER FOR RELIEF

Plaintiff VStream Technologies LLC respectfully requests this Court to enter judgment in its favor against each Defendant and grant the following relief:

- A. An adjudication that each Defendant has infringed and continues to infringe claims of the '731, '971, '647, '183, and '824 Patents;
- B. An award of damages to VStream adequate to compensate for each Defendant's acts of infringement together with prejudgment interest;
- C. An award of VStream's costs of suit and reasonable attorneys' fees as permitted under 35 U.S.C. § 285, or as otherwise permitted by law;
- D. A grant of permanent injunction in accordance with 35 U.S.C. § 283, enjoining each Defendant from further acts of infringement; and
- E. For any further relief that this Court deems just and proper.

Dated: November 11, 2015

Respectfully submitted,

KYLE HARRIS LLP

/s/ John S. Kyle

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**ATTORNEYS FOR VSTREAM
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