

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

LANDMARK NETWORKS, LLC,

Plaintiff

v.

**SONY CORPORATION OF
AMERICA; SONY INTERACTIVE
ENTERTAINMENT AMERICA LLC;
SONY INTERACTIVE
ENTERTAINMENT INC.**

Defendants

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CIVIL ACTION NO. 6:17-cv-107

PLAINTIFF’S ORIGINAL COMPLAINT AND JURY DEMAND

Plaintiff Landmark Networks, LLC (“Landmark”) files this Original Complaint against Sony Corporation of America, Sony Interactive Entertainment America LLC and Sony Interactive Entertainment Inc. (collectively “Defendants” or “Sony”) for infringement of U.S. Patents Nos. 6,018,720 and 6,856,966.

THE PARTIES

1. Landmark Networks, LLC is a limited liability company organized under the laws of the State of Texas with its headquarters and principal place of business at 1400 Preston Road, Suite 475, Plano, Texas 75093.

2. Defendant Sony Corporation of America is a corporation organized and

existing under the laws of New York and having a principal place of business in New York. Sony Corporation of America offers its products, including those accused of infringement, to customers and potential customers in Texas and in the Eastern District. Sony Corporation of America may be served through its registered agent for service of process, Corporation Service Company, 80 State Street, Albany, New York 12207-2543.

3. Defendant Sony Interactive Entertainment America LLC is a foreign limited liability company and wholly-owned subsidiary of Sony Corporation. Sony Interactive Entertainment America LLC is registered to do business in Texas and its registered agent for service of process, Corporation Service Company d/b/a CSC-Lawyers Incorporating Service Company, at 211 E. 7th Street, Suite 620, Austin, Texas 78701.

4. Defendant Sony Interactive Entertainment Inc. is a Delaware corporation. Sony Interactive Entertainment Inc. may be served through its registered agent for service of process, Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808.

JURISDICTION AND VENUE

5. Landmark brings this action for patent infringement under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284-285, among others. This Court has subject-matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

6. Venue is proper in this judicial district pursuant to 28 U.S.C. §§

1391(c) and 1400(b). Defendants do business in this judicial district, have committed acts of infringement in this judicial district, have purposely transacted business in this judicial district involving the accused products, and/or, have regular and established places of business in this judicial district.

7. Defendants market the accused products directly to customers in this judicial district and indirectly through authorized retailers in this judicial district.

8. Defendants are subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long-Arm Statute, due at least to its substantial business in this State and judicial district, including at least part of its infringing activities and regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from goods sold and services provided to Texas residents.

THE PATENTS IN SUIT

9. Landmark is the owner by assignment of U.S. Patent No. 6,018,720 (the "'720 Patent") issued on January 25, 2000, and titled "Data Delivery Method and System Therefor" and U.S. Patent No. 6,856,966 (the "'966 Patent") issued on February 15, 2005, and titled "Product Delivery Methods."

10. A true and correct copy of the '966 Patent is attached as Exhibit A.

11. A true and correct copy of the '720 Patent is attached as Exhibit B.

12. The patents originated from Universal Entertainment Corporation ("UEC").



13. UEC is a Japanese gaming and entertainment company that is publicly traded on the Tokyo Stock Exchange.

14. UEC develops, manufactures, and sells electronic and computerized Pachislot and Pachinko machines and peripheral devices.



15. UEC's research and development efforts focus on gaming systems and software distribution.

16. The '720 and '966 Patents generally relate to product delivery methods and systems for performing product delivery and accounting simultaneously by utilizing rewritable record medium and systems therefor.

17. Conventional card systems, including prepaid cards, credit cards, and IC cards, have encountered numerous problems in the case of delivering software, such as

game software, and data by using these cards. Such problems include: counterfeiting; specialized card readers for reading prepaid cards; the lack of reloading on a prepaid card; purchasers are limited to possessors of credit cards; processing the credit card can cause difficulty; lack of communications between the credit card and computer of a software deliverer about the sales conditions of software; memory capacity for IC cards is low; and data stored on an IC card includes personal data which requires encryption and anti-copying techniques; and the cost of IC cards.

18. The claimed inventions solve these problems as a purchaser buys and acquires software media (purchaser record medium), to which game software is rewritten or reloaded. The purchaser writes data representing a predetermined amount of money to the purchaser record medium.

19. At the time of purchase, the purchaser also writes purchaser inherent data to the purchaser record medium. When game software is requested from a computer of the shop, data recorded in the purchaser record medium is sent to software deliverers through communication networks and is collated with past data recorded in the computer. If matched, the game software is delivered from the software deliverer to the shop, and is then recorded in the purchase record medium. Simultaneously, additional data relating to the game software is recorded in the purchase record medium and in the computers of the software deliverers.

20. Advantages of the claimed subject matter include online accounting maintenance, without the need for prepaid or reloadable cards, or conversion of currency

into computerized credits, as well as simplifying accounting for transactions and balance maintenance.

21. After a complete examination, the Patent Office allowed the claims of the asserted patents finding that they met all requirements for patentability.

22. The Examiner gave the following reasons for allowing the '966 claims:

Reasons for Allowance

2. The following is an Examiner's statement of reasons for allowance:

3. The primary reference Suzuki et. al. (U.S. 6,129,274)(Suzuki '274) discloses as previously discussed. However neither Suzuki '274 nor the other documents of record reasonably disclose the combination of the following steps: registering for the purchaser the third data as registered third data, retrieving the registered third data from the data providing system based upon the second data recorded in the rewritable record medium when the purchaser makes a request for the first data; comparing a registered relevant portion of the registered third data with a purchaser relevant portion of the purchaser third data that corresponds to the registered relevant portion to determine a match; and registering the additional third data after the accounting operation has been performed.

23. As the owner of the '720 and '966 Patents, Landmark holds all substantial rights in and under the '720 and '966 Patents, including the right to grant sublicenses, exclude others, and to enforce, sue, and recover damages for past and future infringement.

SONY

24. Sony is a diversified global company at the forefront of technological

innovation and entertainment. Sony Interactive Entertainment (SIE) makes, sell, markets, and distributes the PlayStation® brand and family of products and for keeping PlayStation® growing and thriving in the United States.

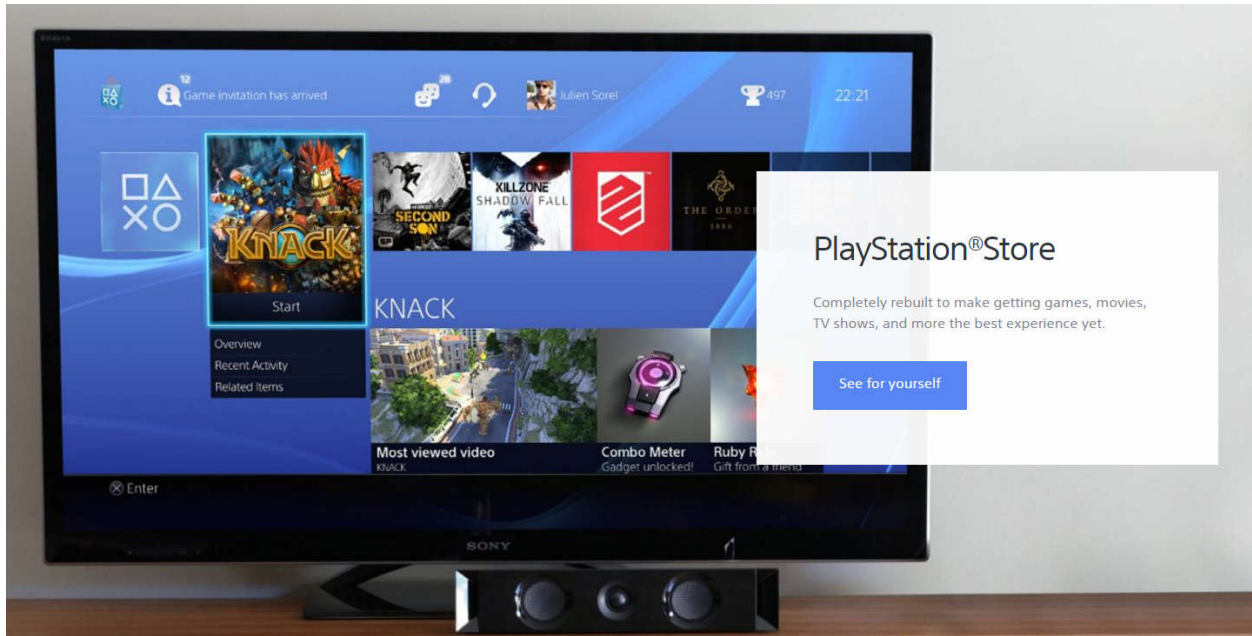


25. Sony also runs and operates the Playstation® Store.



26. Sony delivers products to its end-users via its PlayStation® Store.

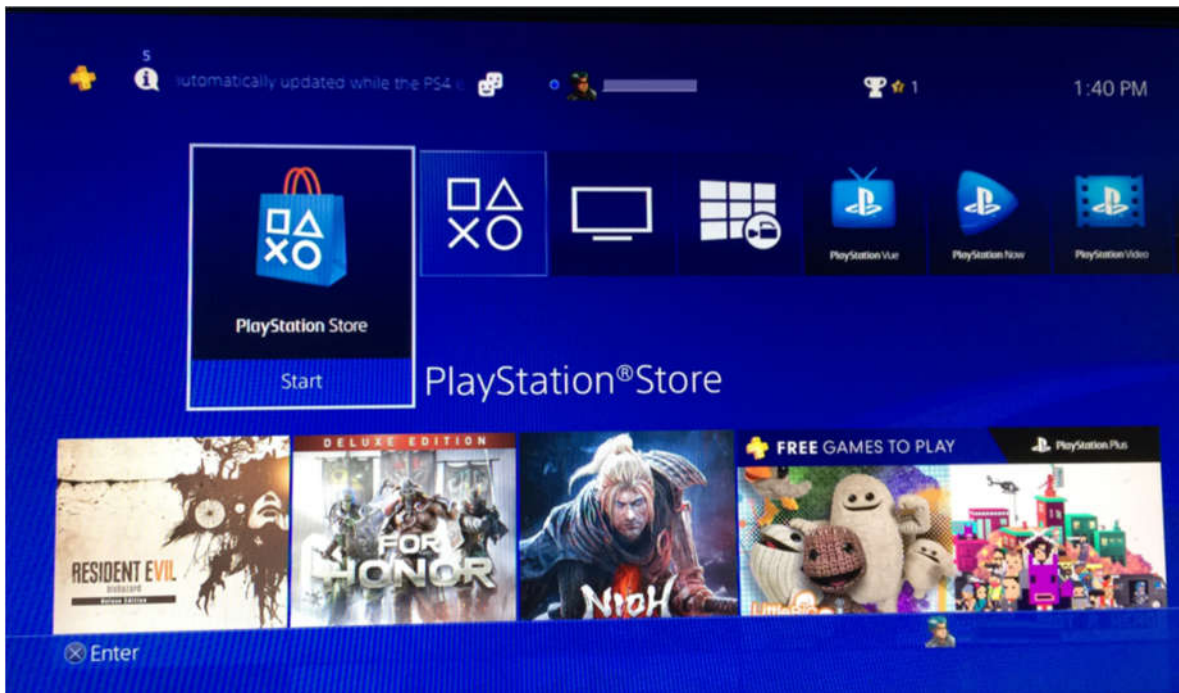
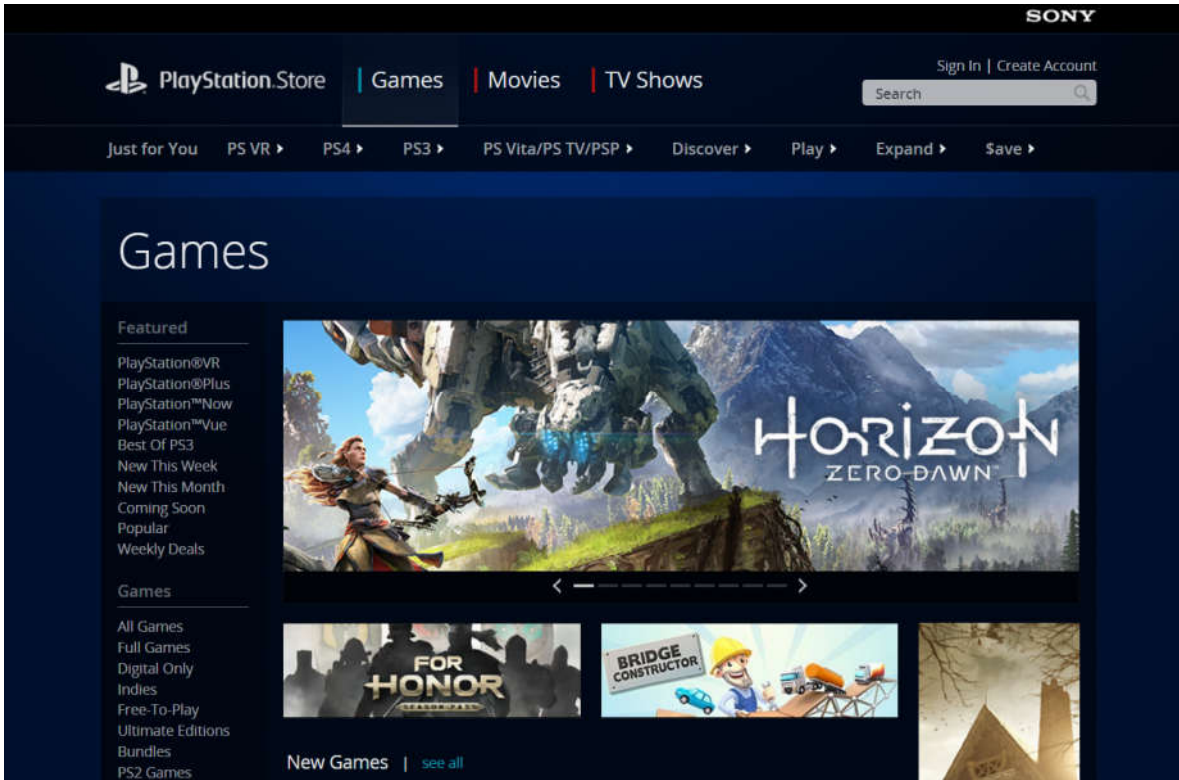
27. The PlayStation® Store is a digital media store available to users of Sony's PlayStation 3, PlayStation 4, PlayStation Vita and PlayStation Portable game consoles via the PlayStation Network.

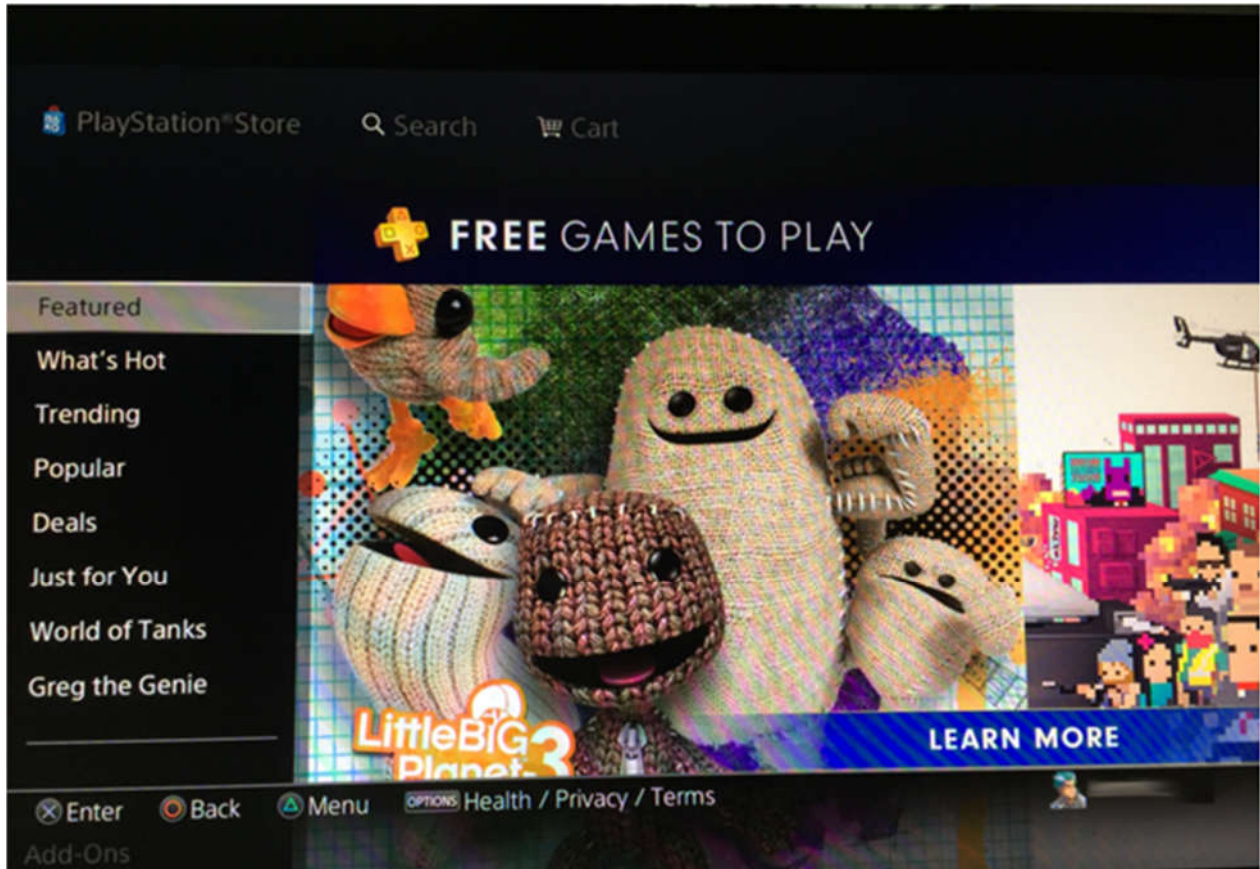


28. The PlayStation® Store is accessible through icons or menus on the PlayStation® 4, PlayStation® 3, PlayStation® Portable, PSVITA and PlayStation® VR (collectively “PlayStation® Systems”) and online through the Sony Entertainment Network website (<https://store.playstation.com>).

SONY AND THE '966 PATENT

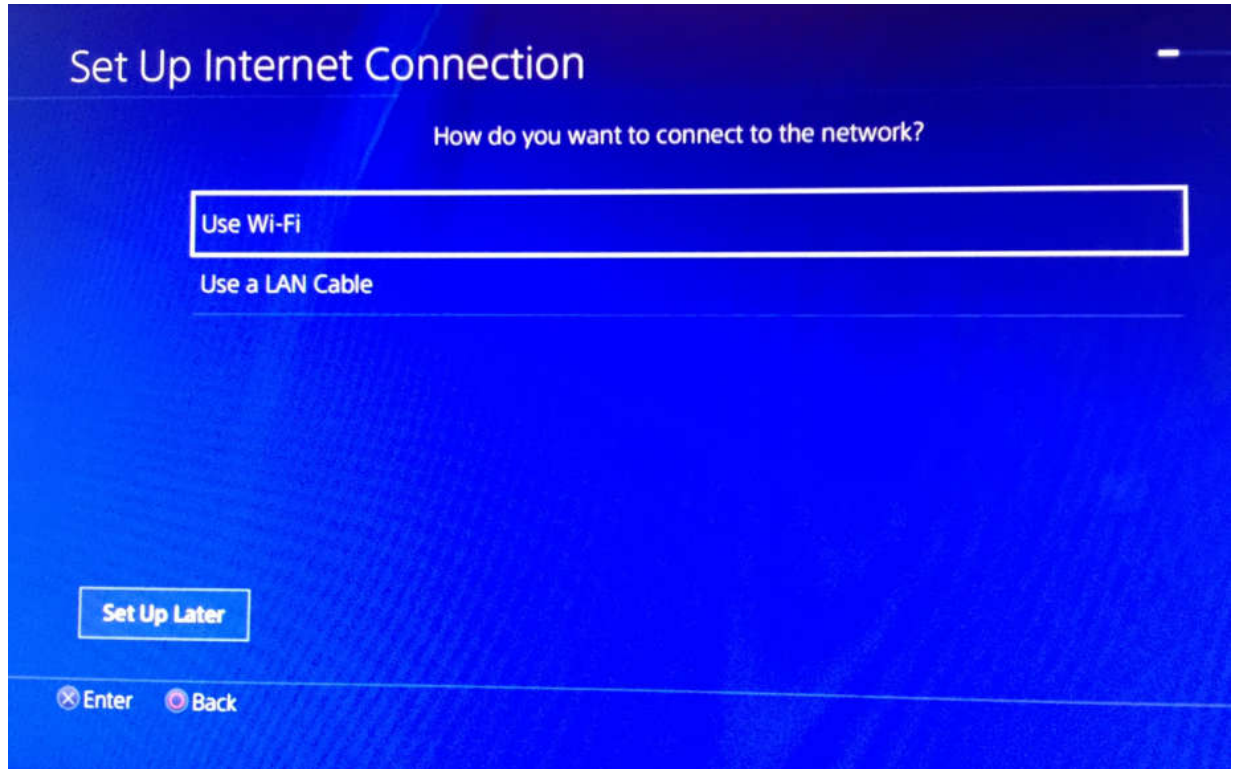
29. The screenshots below show the PlayStation® Store accessible via internet browsers and the PlayStation® Systems.



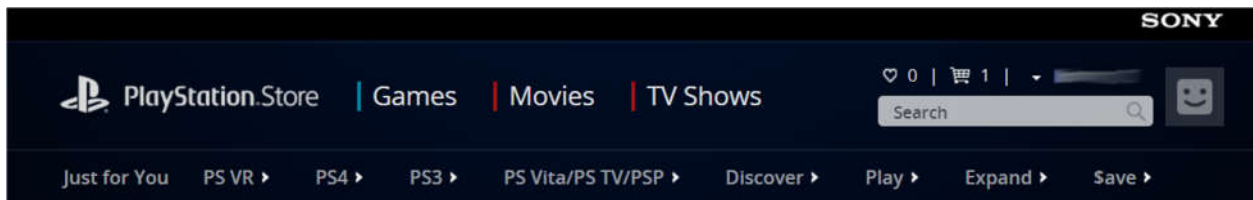


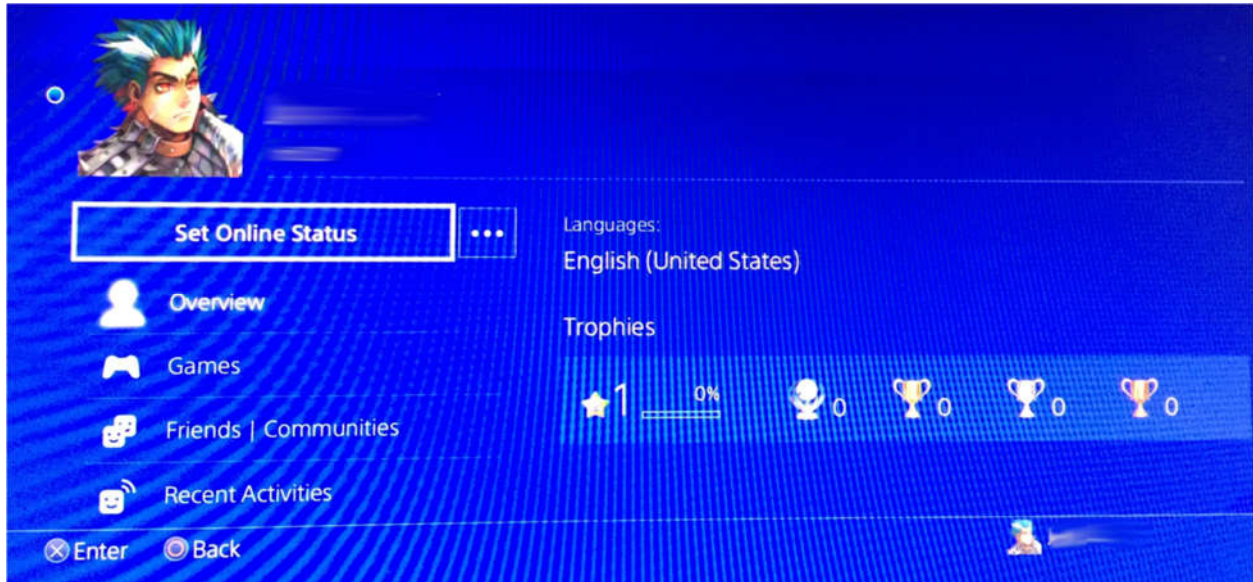
30. Sony's PlayStation® Store service delivers data (e.g., a game) via a communication line (e.g., WAN, LAN, the internet, etc.) to a user's rewritable record medium (e.g., a user's computer or PlayStation® System).

31. The screenshot below shows instruction Sony provides to users for connecting:



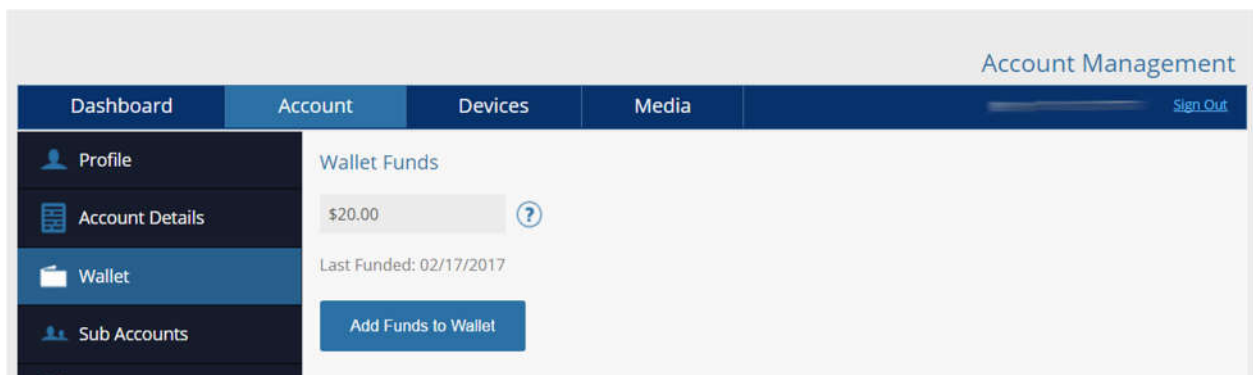
32. Sony's PlayStation® Store records and stores a purchaser's identification data. Such information may include a user's ID, password or other identifying or authenticating data relating to the user account.





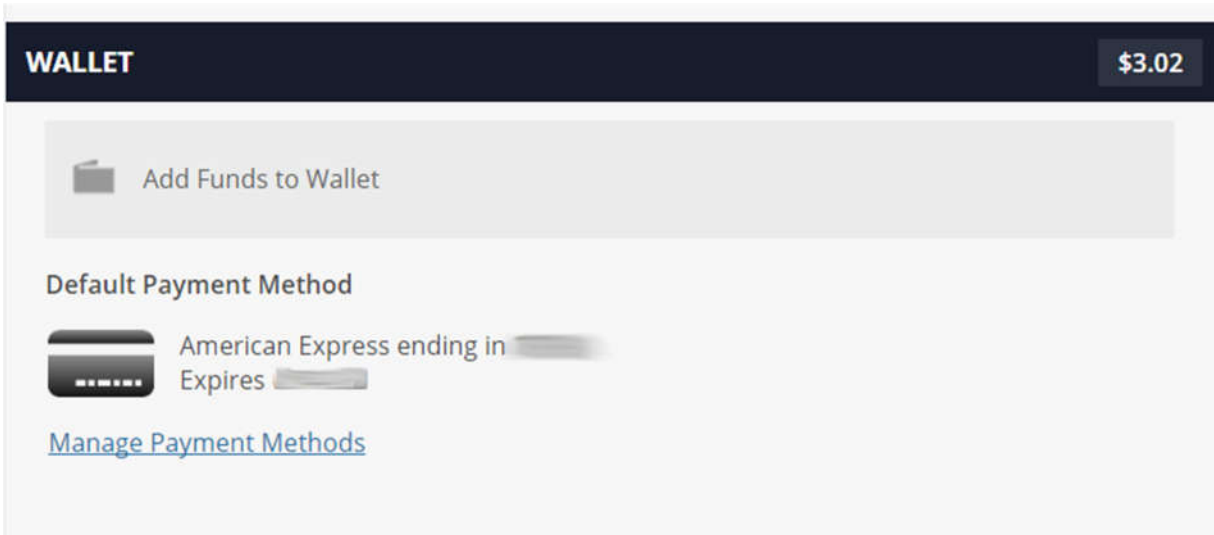
33. Sony servers store data used to determine whether a purchase satisfies a data purchase requirement.

34. A purchase from the Sony PlayStation® Store generates data that includes purchase information on available purchaser balances.



35. User information is stored on Sony PlayStation® Store and used in connection with the purchase process. Such information includes available balance and information required to effect a purchase transaction by the user. Purchase information, or third data, is stored on the Sony servers.

36. The Sony system includes a “wallet” that reflects, among other things, a purchaser’s available funds as shown below:



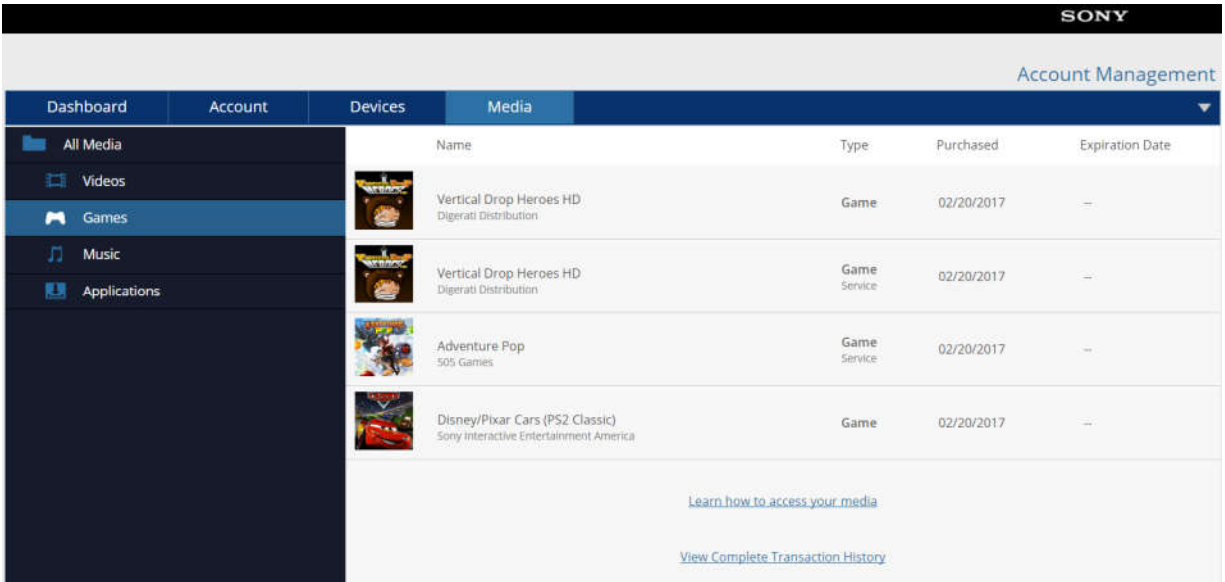
37. When a purchase is made on the Sony PlayStation® Store, third data is produced and recorded in order to register for that purchaser her available balance and purchase information that is stored on rewritable record medium.

38. Sony maintains logs reflecting purchase transactions.

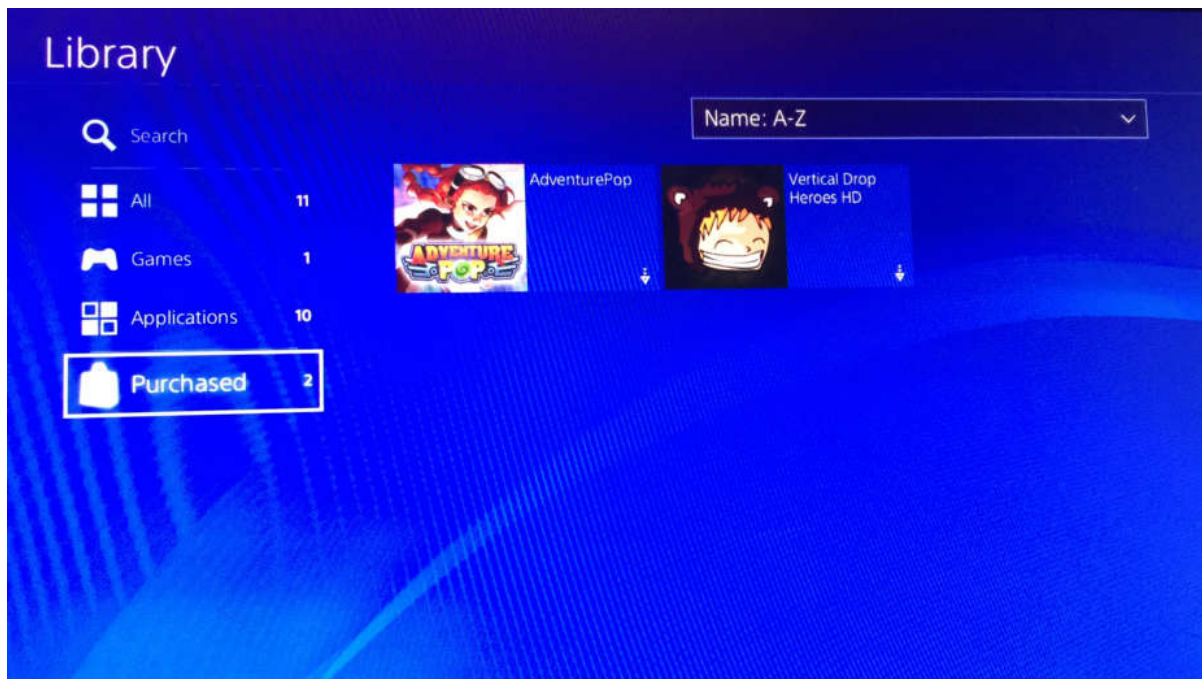
39. Purchase information is registered on Sony servers.

40. Purchase history and data reflecting purchased games are stored on Sony servers.

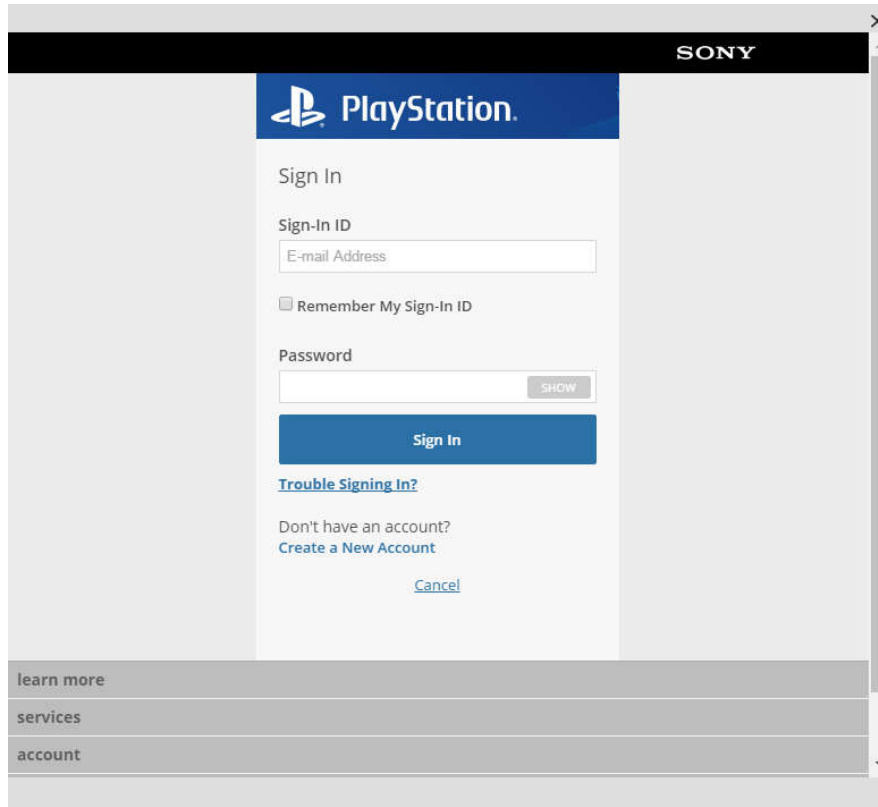
41. When a user accesses the online Sony PlayStation® Store using an internet browser, the user’s list of games is shown on the Account Management Dashboard, pictured below.



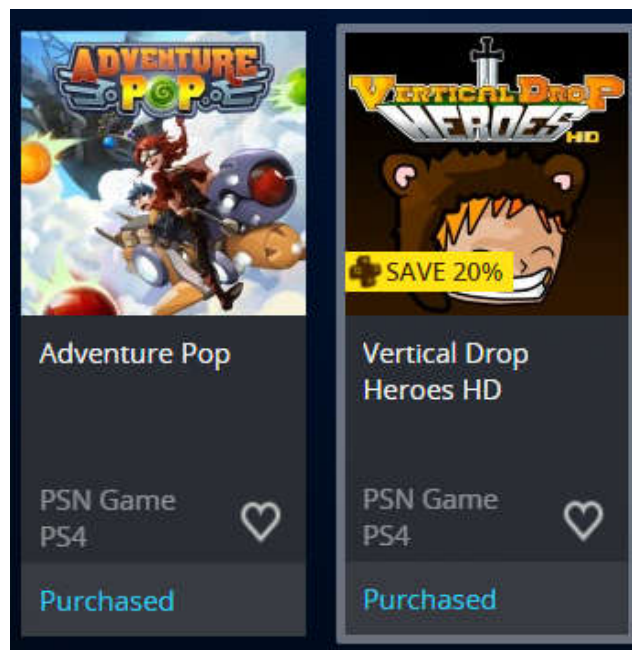
42. When a user accesses the Sony PlayStation® Store using a PlayStation® System, the user's games are displayed in the user's library, as shown below.



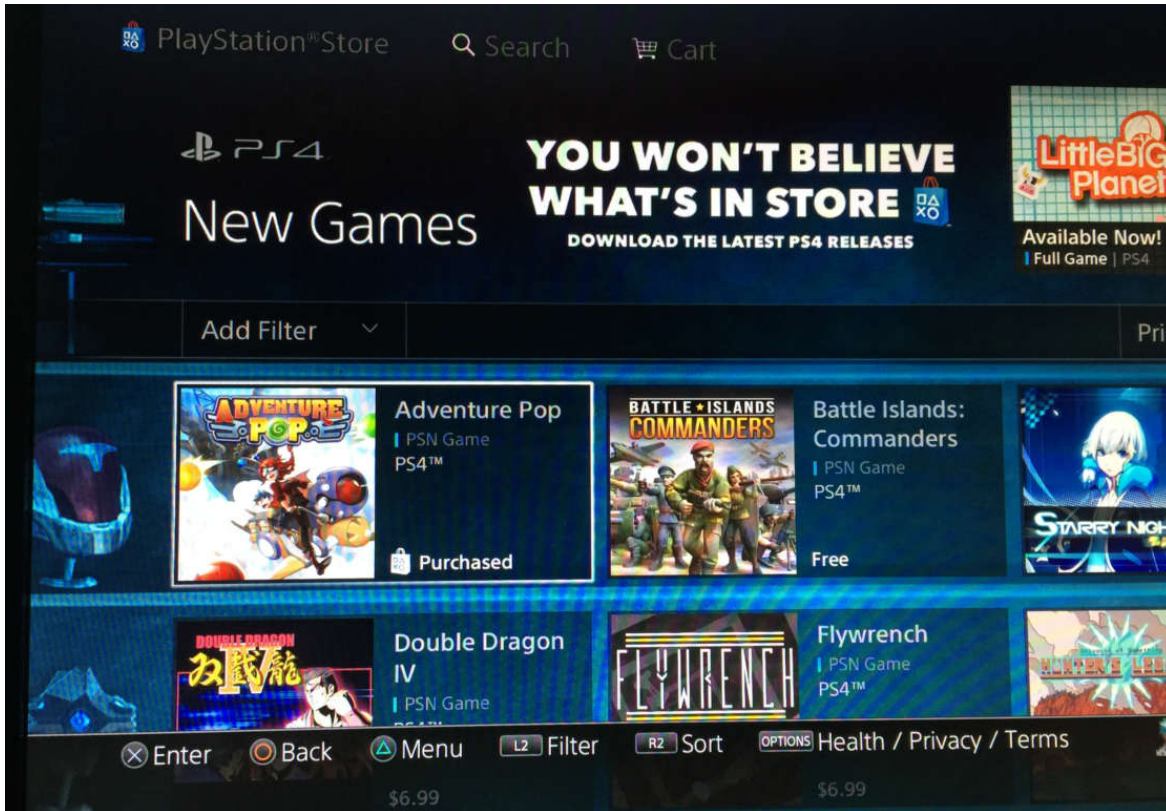
43. A purchaser must be “signed in” to a PlayStation Network account in order to make a purchase request.



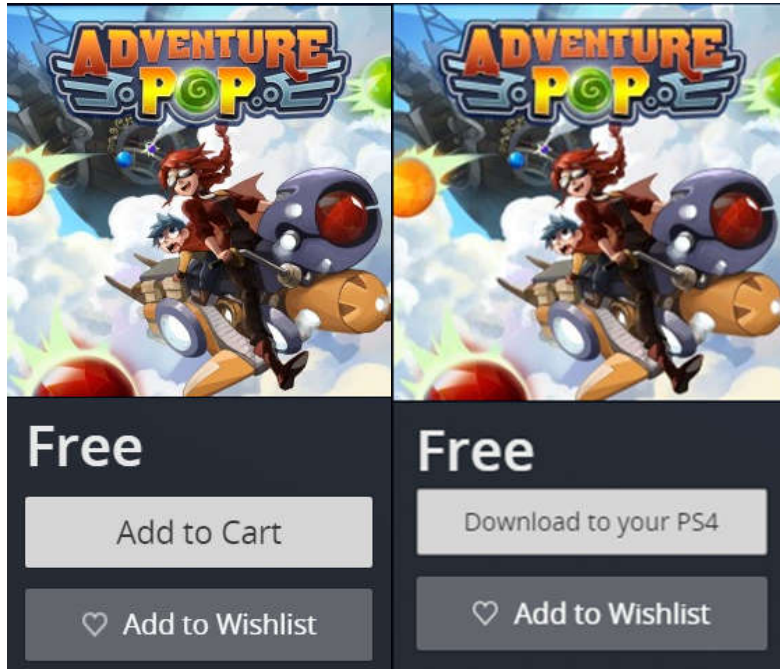
44. When a user accesses the Sony PlayStation® Store using an internet browser, the system indicates games previously purchased, as exemplified below.



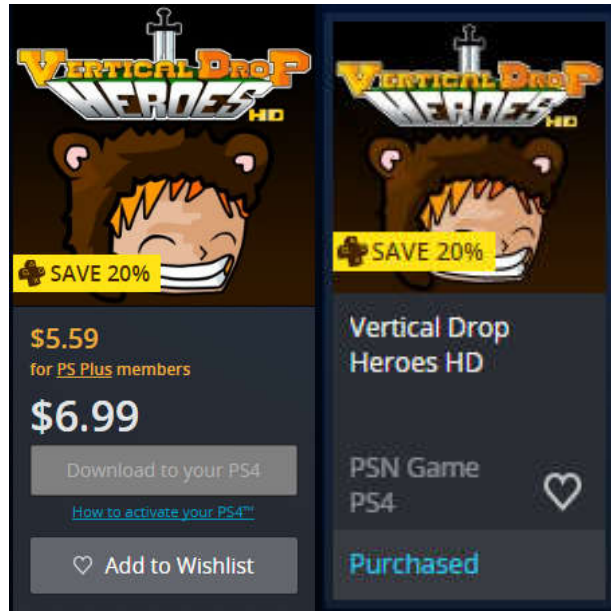
45. When a user accesses the Sony PlayStation® Store using a PlayStation® System, games previously purchased are indicated, as exemplified below.



46. Sony prevents a user from purchasing a game she already owns by removing the “Add to Cart” button and indicating that the game is already in the user’s library, as exemplified below.



47. The screenshot below shows a notification Sony provides to a user trying to purchase content already in her library:



48. Purchase information associated with a purchaser's account is retrieved from a Sony server when the purchaser requests the purchase of content data (e.g., a game).

49. A game can be downloaded when: 1) the username and password entered in the application match what is stored on the Sony server, and 2) the application checks that the game is not already installed on the user's console.

50. Purchase information associated with a purchaser's account is retrieved from a Sony server or servers when the purchaser requests the purchase of content data (e.g., a game).

51. Purchase information associated with a purchaser's account is retrieved from a Sony server or servers when the purchaser requests the purchase of content data (e.g., a game).

52. Sony systems perform an accounting operation that provides the requested

data when relevant portions of purchase information match.

53. A purchase from the Sony system generates content data for delivery to the user.

54. An accounting operation occurs during checkout when a credit card is charged or funds are deducted from the Sony “Wallet.”

55. The Sony Wallet reflects a user’s purchase information including available balances and purchase transaction history.

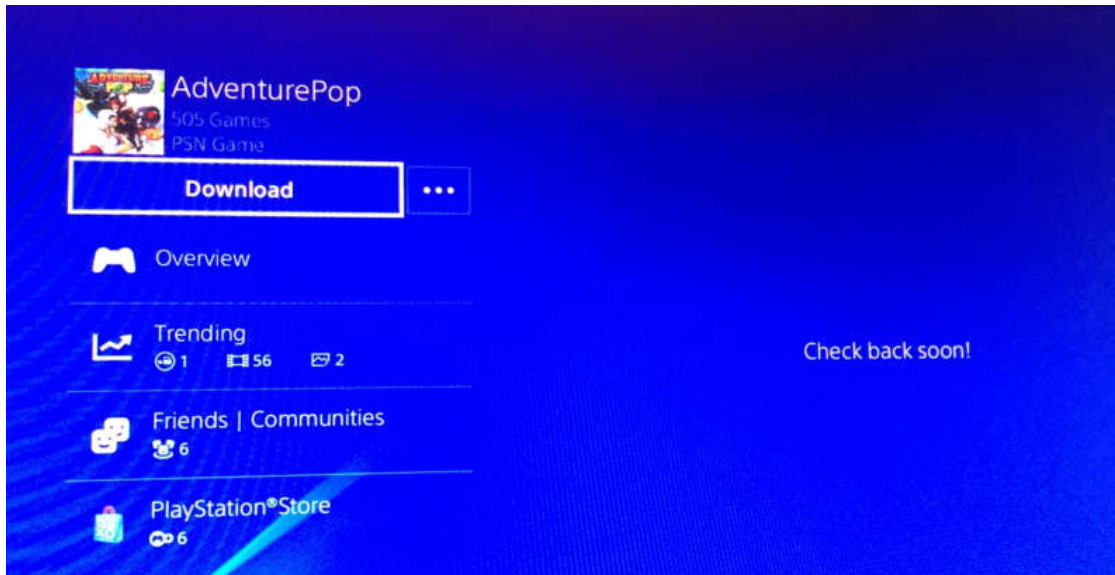
56. The screenshot below shows the transaction history tab for a user.

Date	Description	Account	Amount
02/19/2017	Product Purchase	[REDACTED]	\$0.00
02/17/2017	Wallet Funding	[REDACTED]	\$20.00

57. After a purchase transaction, data is recorded onto rewritable record medium.

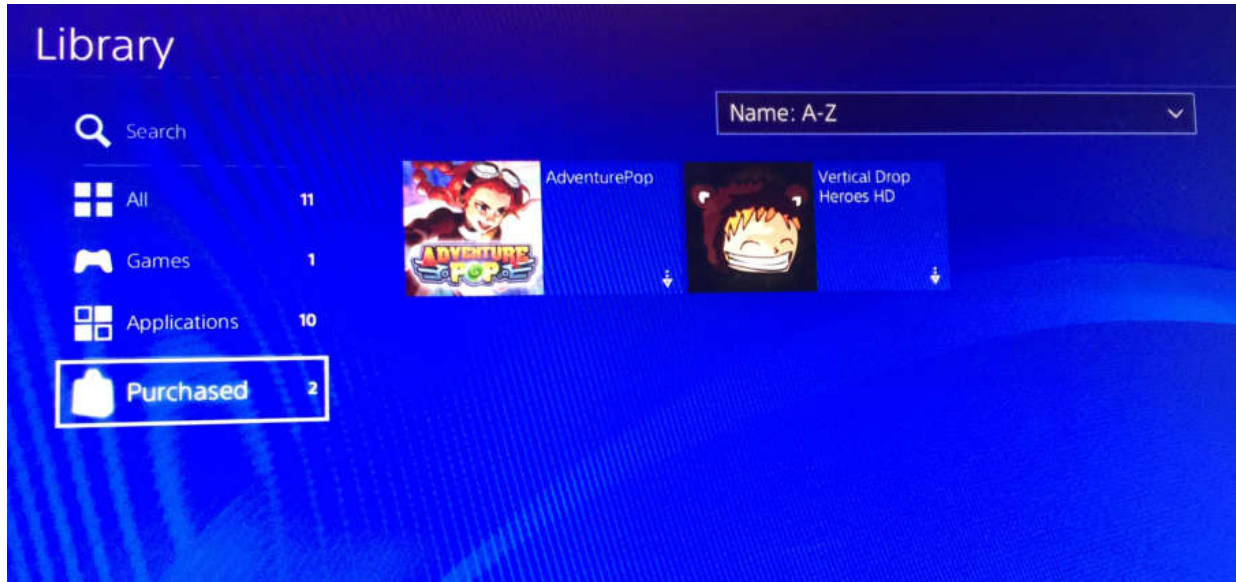
58. Data can be downloaded onto a user’s PlayStation® System only after it is

purchased.



59. Purchase history and a list of purchased games (in the user’s library) is shown via the user’s account management interface as shown below.

SONY				
Account Management				
Dashboard	Account	Devices	Media	
All Media				
Videos				
Games				
Music				
Applications				
Name	Type	Purchased	Expiration Date	
Vertical Drop Heroes HD Digerati Distribution	Game	02/20/2017	--	
Vertical Drop Heroes HD Digerati Distribution	Game Service	02/20/2017	--	
Adventure Pop 505 Games	Game Service	02/20/2017	--	
Disney/Pixar Cars (PS2 Classic) Sony Interactive Entertainment America	Game	02/20/2017	--	
Learn how to access your media View Complete Transaction History				



60. After a purchase transaction, purchase information and available purchaser balance is registered in the Sony data providing system.

61. Purchase history is stored on Sony servers and is accessible via an internet browser.

62. Each purchase is registered on a Sony store computer.

SONY AND THE '720 PATENT

63. Sony requires a user to have a computer or PlayStation® System having memory with areas for storing primary data and additional data including purchaser, purchase, and accounting data.

64. The following is a specification sheet for the PS4:

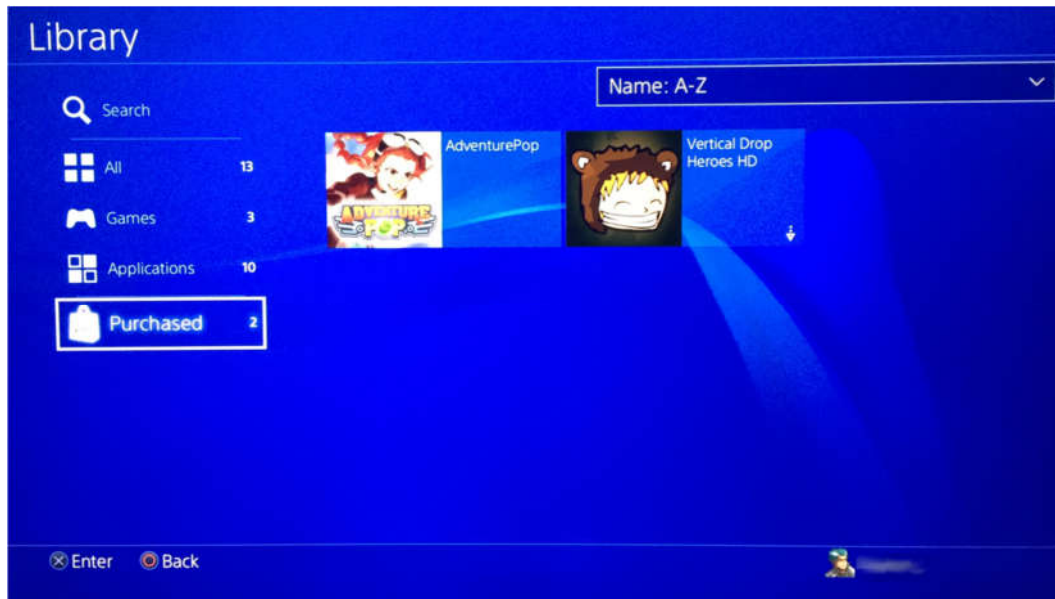
<div style="display: flex; justify-content: space-around; border-bottom: 1px solid black;"> PS4 PS4 PRO DUALSHOCK 4 </div>	
Product name	PlayStation®4
Product code	CUH-2000 series
Main processor	Single-chip custom processor CPU : x86-64 AMD "Jaguar", 8 cores GPU : 1.84 TFLOPS, AMD Radeon™ based graphics engine
Memory	GDDR5 8GB
Storage size*	500GB, 1TB
External dimensions	Approx. 265×39×288 mm (width × height × length) (excludes largest projection)
Mass	Approx. 2.1 kg
BD/ DVD drive (read only)	BD × 6 CAV DVD × 8 CAV
Input/ Output	Super-Speed USB (USB 3.1 Gen1) port × 2 AUX port × 1
Networking	Ethernet (10BASE-T, 100BASE-TX, 1000BASE-T) ×1 IEEE 802.11 a/b/g/n/ac Bluetooth®v4.0
Power	AC 100-240V, 50/60Hz
Power consumption	Max. 165W
Operating Temperature	5 °C – 35°C
AV output	HDMI™ out port (HDR output supported)

65. Sony consoles have memory as shown below:



66. Games purchased on the Sony PlayStation® Store are stored locally.

67. Local memory stores content data, and the Library shows stored games, as shown below.



68. A list of game purchases corresponding to a user ID is stored on and

available from the Sony website and on the PlayStation® System.

69. Historical data is recorded in a Sony server and in the user PC/laptop memory or PlayStation® System memory.

70. Sony creates logs and other files on the user PC/laptop or PlayStation® System that record historical data.

71. Primary data (e.g., game data) requested by a purchaser is delivered from a Sony server to the user computer (i.e., a PC/laptop) or PlayStation® System (i.e., PS4) when the historical data stored in the user computer is matched to historical data stored on the Sony server.


> Help Library > Games > Installing, Downloading & Updating

Updated 20/02/17

PS4: How to download or stream PlayStation Store content

How to get your PlayStation Store purchases onto your PS4.

How to download from the PS4 Library

- 01 Select your local user account and go to  [Library].
- 02 Select the game or add-on you want to download (add-ons are in a 'folder' with the main title).
- 03 Select 'Download' on the content screen.

You can check the progress of your downloads in  [Notifications] > [Downloads].

Play as You Download is available on selected games. This means that you can choose which part of the game you want to download first and start playing before the download is complete.

72. A game can be downloaded from Sony when the username and password entered match what is stored on the Sony server and Sony checks that the game is not already installed/downloaded on the user's computer or PlayStation® System.

73. Sony performs accounting operations for tracking and recording user account information relating to purchases and download transactions.

PlayStation®Store Purchasing FAQ

Where can I use the PlayStation®Store Cash Card?	+
What payment methods can I use at the PlayStation®Store?	+
How do I add funds to a Sony Entertainment Network sub account?	+
What is the automatic funding feature for the PlayStation®Store wallet?	-
<p>The Automatic Funding feature allows the PlayStation®Store to deduct money from the credit card on file for a Sony Entertainment Network account (if there is a credit card is on file) when there are insufficient funds in the wallet to pay for content or services that is offered only on a subscription.</p> <p>The Automatic Funding feature is set by the Master Account holder. The Master Account holder selects the amount of automatic funding. The amount can be as high as \$50 US currency for users registered in the United States and \$50 Canadian currency for users registered in Canada at any one time, up to the wallet limit.</p> <p>Important</p> <p>Once the Automatic Funding feature is enabled, all associated Sub Accounts will also be able to benefit from it when making purchases.</p>	
What is the wallet limit that can be in a PlayStation®Store wallet?	+
What do I do if I am having trouble entering billing information into a Sony Entertainment Network account?	+
PlayStation®Store purchases and temporary credit card authorizations	+

COUNT I
(INFRINGEMENT OF U.S. PATENT NO. 6,856,966)

74. Landmark incorporates paragraphs 1 through 73 herein by reference.

75. As the owner of the '966 Patent, Landmark holds all substantial rights in and under the '966 Patent, including the right to grant sublicenses, exclude others, and to enforce, sue, and recover damages for past and future infringement.

76. The '966 Patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

77. Defendants have practiced and continue to practice one or more claims of the '966 Patent, including at least claims 1, 2, 3, 4, 5, 6, 7, and 8, by making, using, offering for sale, operating, licensing, selling and/or importing the Sony content delivery system and Sony PlayStation® Store.

78. Defendants have no consent or authorization to practice the '966 Patent.

79. Defendants are on notice of the '966 Patent and the conduct by Sony and its end users and how Sony PlayStation® Store users infringe.

80. Defendants sell, offer to sell, import, operate and/or use, and instruct customers how to use, the Sony content delivery system and Sony PlayStation® Store in the United States.

81. Landmark has been damaged as a result of Defendants' infringing conduct.

82. Defendants are liable to Landmark in an amount that adequately compensates Landmark for Defendants' infringement, which compensation can be no less than a reasonable royalty together with interest and costs as fixed by this Court under

35 U.S.C. § 284.

**COUNT II
(INFRINGEMENT OF U.S. PATENT NO. 6,018,720)**

83. Landmark incorporates paragraphs 1 through 82 herein by reference.

84. As the owner of the '720 Patent, Landmark holds all substantial rights in and under the '720 Patent, including the right to grant sublicenses, exclude others, and to enforce, sue, and recover damages for past and future infringement.

85. The '720 Patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

86. Defendants are practicing and continue to practice one or more claims of the '720 Patent, including at least claims 1 and 10, by making, using, licensing, operating, offering for sale, selling and/or importing the Sony content delivery system and Sony PlayStation® Store.

87. Defendants have no consent or authorization to practice the '720 Patent.

88. Defendants are on notice of the '720 Patent and the conduct by Defendants and its end users and customer that infringes it.

89. Defendants sell, offer to sell, import, operate and/or use, and instruct customers how to use, the Sony content delivery system and Sony PlayStation® Store in the United States.

90. Landmark has been damaged as a result of Defendants' infringing conduct.

91. Defendants are thus liable to Landmark in an amount that adequately compensates it for Defendants' infringement, which compensation can be no less than a

reasonable royalty together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

NOTICE

92. Landmark has complied with the notice requirement of 35 U.S.C. § 287 and does not currently distribute, sell, offer for sale, or make products embodying the asserted Landmark Patents.

NOTICE OF REQUIREMENT OF LITIGATION HOLD

93. Defendants are hereby notified it is legally obligated to locate, preserve, and maintain all records, notes, drawings, documents, data, communications, materials, electronic recordings, audio/video/photographic recordings, and digital files, including edited and unedited or “raw” source material, and other information and tangible things that Defendants know, or reasonably should know, may be relevant to actual or potential claims, counterclaims, defenses, and/or damages by any party or potential party in this lawsuit, whether created or residing in hard copy form or in the form of electronically stored information (hereafter collectively referred to as “Potential Evidence”).

94. As used above, the phrase “electronically stored information” includes without limitation: computer files (and file fragments), e-mail (both sent and received, whether internally or externally), information concerning e-mail (including but not limited to logs of e-mail history and usage, header information, and deleted but recoverable e-mails), text files (including drafts, revisions, and active or deleted word processing documents), instant messages, audio recordings and files, video footage and

files, audio files, photographic footage and files, spreadsheets, databases, calendars, telephone logs, contact manager information, internet usage files, and all other information created, received, or maintained on any and all electronic and/or digital forms, sources and media, including, without limitation, any and all hard disks, removable media, peripheral computer or electronic storage devices, laptop computers, mobile phones, personal data assistant devices, Blackberry devices, iPhones, video cameras and still cameras, and any and all other locations where electronic data is stored. These sources may also include any personal electronic, digital, and storage devices of any and all of Defendants' agents, resellers, or employees if Defendants' electronically stored information resides there.

95. Defendants are hereby further notified and forewarned that any alteration, destruction, negligent loss, or unavailability, by act or omission, of any Potential Evidence may result in damages or a legal presumption by the Court and/or jury that the Potential Evidence is not favorable to Defendants' claims and/or defenses. To avoid such a result, Defendants' preservation duties include, but are not limited to, the requirement that Defendants immediately notify its agents and employees to halt and/or supervise the auto-delete functions of Defendants' electronic systems and refrain from deleting Potential Evidence, either manually or through a policy of periodic deletion.

JURY DEMAND

Landmark hereby demands a trial by jury on all triable claims, issues and damages.

PRAYER FOR RELIEF

Landmark prays for the following relief:

- a. That Defendants be summoned to appear and answer;
- b. That the Court enter an order declaring that Defendants have infringed the '966 Patent and the '720 Patent.
- c. That the Court grant Landmark judgment against Defendants for all actual, consequential, special, punitive, increased, and/or statutory damages, including, if necessary, an accounting of all damages; pre and post-judgment interest as allowed by law; and reasonable attorney's fees, costs, and expenses incurred in this action; and
- d. That Landmark be granted such other and further relief as the Court may deem just and proper under the circumstances.

Dated: February 21, 2017

Respectfully submitted,

TAYLOR DUNHAM AND RODRIGUEZ LLP
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Austin, Texas 78701
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