

10 below, has committed, and continues to commit, tortuous acts of patent infringement within and outside of Texas and within this judicial district.

3. Defendant Sharp Electronics Corp. is, and at all relevant times mentioned herein was, a corporation organized and existing under the laws of the State of New York with its principal place of business at Sharp Plaza, Mahwah, New Jersey, 07430. Sharp Electronics Corp. has a registered agent in Texas, CT Corporation System, 350 N. St. Paul St., Dallas, Texas 75201. On information and belief Sharp Electronics Corp. regularly conducts and transacts business in Texas, throughout the United States and within this judicial district itself and through one or more subsidiaries or affiliates, and as set forth in paragraphs 7-10 below, has committed, and continues to commit, tortuous acts of patent infringement within and outside of Texas and within this judicial district.

JURISDICTION AND VENUE

4. This is an action for patent infringement arising under the patent laws of the United States, Title 35, United States Code. This Court has exclusive subject matter jurisdiction over this case for patent infringement under 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over each Defendant. Each Defendant has conducted and does conduct business within the State of Texas. Each Defendant, directly or through subsidiaries or intermediaries, offers for sale, sells, advertises, and markets televisions with digital I.V. tuners in the United States, the State of Texas, and the Eastern District of Texas. In conjunction with this offering for sale, selling, advertising and marketing of such televisions, each Defendant, either directly or through subsidiaries or intermediaries (including distributors, retailers, and others), ships, distributes, and sells television products that contain digital I.V. tuners. Defendants have voluntarily sold and distributed infringing products in this

District, either directly to customers in this District or through subsidiaries and intermediaries with the expectation that the products will be sold and distributed to customers in this District. These infringing products have been and continue to be purchased and used by consumers in the Eastern District of Texas. Each Defendant has committed acts of infringement within the State of Texas and, more particularly, within the Eastern District of Texas. Venue is proper in the Eastern District of Texas under 28 U.S.C. §§ 1391(b), (c), and 1400(b).

COUNT 1

PATENT INFRINGEMENT

6. Plaintiff refers to and incorporates herein the allegations of Paragraphs 1-5 above.

7. United States Patent No. 5,243,627 (the “’627 patent”), entitled “Signal Point Interleaving Technique,” was duly and legally issued by the United States Patent and Trademark Office on September 7, 1993, after full and fair examination. The ’627 patent relates to, among other things, encoding and decoding streams of data. Plaintiff is the assignee of all rights, title, and interest in and to the ’627 patent and possesses all rights of recovery under the ’627 patent.

8. Each Defendant is infringing the ’627 patent under 35 U.S.C. § 271 by performing, without authority, one or more of the following acts: (a) making, using, offering to sell, and selling within the United States products that practice the inventions of the ’627 patent; (b) importing into the United States the inventions of the ’627 patent; (c) contributing to the infringement of the ’627 patent by others in the United States; and/or (d) inducing others to infringe the ’627 patent within the United States.

9. Plaintiff has at all times complied with 35 U.S.C. § 287.

10. Upon information and belief, each Defendants’ infringement has been willful after receipt of notice of the ’627 patent.

PRAYER FOR RELIEF

Plaintiff prays for the following relief:

A A judgment that each Defendant has directly infringed the '627 patent, contributorily infringed the '627 patent, and/or induced infringement of the '627 patent;

B An injunction permanently prohibiting each Defendant and its officers, directors, agents, servants, employees, attorneys, licensees, successors, and assigns, and those in active concert or participation with any of them, from directly infringing, contributorily infringing, and inducing the infringement of the '627 patent;

C A judgment and order requiring each Defendant to pay Plaintiff damages under 35 U.S.C. § 284, including treble damages for willful infringement as provided by 35 U.S.C. § 284;

D A judgment and order requiring each Defendant to pay Plaintiff pre-judgment and post-judgment interest on the damages awarded;

E A judgment and order requiring each Defendant to pay Plaintiff the costs of this action (including all disbursements) and attorneys' fees as provided by 35 U.S.C. § 285; and

F Such other and further relief as the Court deems just and equitable.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial on all issues appropriately triable by a jury.

DATED: February 3, 2006

Respectfully submitted,

McKOOL SMITH, P.C.



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