

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

WALKER DIGITAL, LLC,

Plaintiff,

v.

DISNEY PHOTO IMAGING, LLC,

Defendant.

Civil Action No. 11-544-GMS

JURY TRIAL DEMANDED

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Walker Digital, LLC (“Walker Digital”) files this complaint for patent infringement against Defendant Disney Photo Imaging, LLC (“Defendant” or “Disney”) on personal knowledge as to its own actions and on information and belief as to the action of others, as follows:

THE PARTIES

1. Plaintiff Walker Digital, LLC is a Delaware limited liability company with its principal place of business located at 2 High Ridge Park, Stamford, Connecticut 06905. Walker Digital is a research and development laboratory that has been the genesis for many successful businesses, including Priceline.com and Synapse, Inc.

2. On information and belief, Defendant Disney is a Florida limited liability company with its principal place of business located at 1375 Buena Vista Street, 4th Floor North, Lake Buena Vista, Florida 32830.

JURISDICTION AND VENUE

3. This action arises under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

4. On information and belief, Defendant is subject to this Court's jurisdiction because it has: (1) transacted business in this District including such activities as (directly and/or through intermediaries) shipping, distributing, offering for sale, selling, and/or advertising (including via the provision of products and services over the Internet) the accused products in the State of Delaware; and/or (2) delivered its products into the stream of commerce with the expectation that they will be purchased by consumers in Delaware. Upon information and belief, Defendant is doing substantial business in this District, and has committed acts of patent infringement in this District.

5. Venue is proper in this district under 28 U.S.C. §§ 1391(b) and (c), and 1400(b).

THE '323 PATENT

6. On April 12, 2011, the United States Patent and Trademark Office duly and legally issued U.S. Patent No. 7,924,323 ("the '323 Patent"), entitled "Method and Apparatus for Automatically Capturing and Managing Images," to Jay S. Walker, James A. Jorasch, and Russell P. Sammon, who assigned all of their rights and interests in the '323 patent to Walker Digital. A copy of the '323 Patent is attached to the Complaint as Exhibit A.

7. Walker Digital is thus the owner of the '323 Patent.

FACTUAL BACKGROUND

8. Walker Digital is a research and development laboratory that has invested many millions of dollars in the development of its intellectual property. Walker Digital is comprised of

a diverse group of inventors who solve business problems by studying human behavior and designing innovative solutions utilizing modern information technologies. Walker Digital's invention team has created a portfolio of more than 200 U.S. and international patents in a wide range of industries that include retail, vending, credit cards, security, gaming, educational testing, and entertainment. Jay S. Walker, the chairman of Walker Digital, is best known as the founder of Priceline.com, which brought unprecedented technology and a new level of value to the travel industry. The business processes that guide Priceline.com's success were created in the invention lab of Walker Digital. As an inventor, Mr. Walker is named on more than 450 issued and pending U.S. and international patents.

9. Walker Digital has invested large sums of money to develop the inventions of Mr. Walker and Walker Digital's team of innovators. This investment was used for many things, including the development of laboratory facilities to assist with the development and testing of new inventions, which, in turn, generated additional new inventions. Many of these new inventions have been the genesis for successful businesses, including Priceline.com and Synapse, Inc. Revolutionary technologies, including a method and apparatus for automatically capturing and managing images, as described and claimed in the '323 patent, were a direct result of that investment.

10. The '323 patent represents breakthrough technology in the field of digital cameras. By way of example and not limitation, the inventions of the '323 patent allow a user to pre-program a camera system to transmit later acquired images when certain conditions are satisfied.

FIRST CAUSE OF ACTION

(Infringement of the '323 Patent)

(35 U.S.C. § 271)

11. Plaintiff repeats and incorporates by reference each of the allegations contained in Paragraphs 1 through 10 above, and further alleges as follows:

12. On information and belief, without a license or permission from Plaintiff, Defendant Disney is infringing (literally and/or under the doctrine of equivalents) the '323 Patent in this District and throughout the United States by, among other things, making and using camera systems as part of its Disney PhotoPass service covered by, without limitation, claim 1 of the '323 Patent. By way of example and without limitation, Defendant's camera systems that are part of the Disney PhotoPass service allow Disney's photographers to pre-program the system to transmit later acquired images when certain conditions are satisfied. Defendant's infringement of the '323 Patent has caused substantial damage to Plaintiff.

13. Walker Digital has suffered and will continue to suffer severe and irreparable harm unless this Court issues a permanent injunction prohibiting Defendant, its agents, servants, employees, representatives, and all others acting in active concert therewith from infringing the '323 Patent.

DEMAND FOR JURY TRIAL

Plaintiff Walker Digital, pursuant to Rule 38 of the Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

PRAYER FOR RELIEF

For the reasons stated above, Walker Digital respectfully asks this Court to grant the following relief in favor of Walker Digital and against Defendant Disney:

- (a) A judgment that the '323 Patent is valid and enforceable, and that Defendant has infringed one or more claims of the '323 Patent;
- (b) A permanent injunction enjoining Defendant and its officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, and all others acting in active concert or participation with them, from infringing the '323 patent;
- (c) A judgment and order requiring Defendant to pay Walker Digital its damages, costs, expenses, and pre-judgment and post-judgment interest for Defendant's infringement of the '323 patent;
- (d) A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding Walker Digital its reasonable attorneys' fees; and
- (e) Any and all such other relief as the Court deems just and proper.

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