

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

LONE STAR TARGETED ADVERTISING, LLC,

Plaintiff,

v.

IMAGINE COMMUNICATIONS
CORPORATION,

Defendant.

CASE NO.

COMPLAINT FOR PATENT
INFRINGEMENT

JURY TRIAL DEMANDED

Plaintiff Lone Star Targeted Advertising, LLC (“LSTA”), for its Complaint against Imagine Communications Corporation (“Defendant” or “Imagine Communications”), alleges as follows:

PARTIES

1. Plaintiff Lone Star Targeted Advertising, LLC (“LSTA”) is a limited liability company organized under the laws of the State of Texas with its principal place of business in Dallas, Texas.

2. On information and belief, Imagine Communications is a company organized under the laws of Delaware. Imagine Communications is a registered corporation in the state of Delaware.

JURISDICTION AND VENUE

3. This is an action for patent infringement in violation of the Patent Act of the United States, 35 U.S.C. §§ 1 *et seq.*

4. This Court has original and exclusive subject matter jurisdiction over the patent infringement claims for relief under 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Defendant because Defendant, on information and belief, has transacted and is transacting business in the District of Delaware that includes, but is not limited to, the use of products and systems that practice the subject matter claimed in the patents involved in this action.

6. Venue is proper in this district under 28 U.S.C. 1400(b) because on information and belief, Defendant has committed acts of infringement within this District. In addition, the Defendant is a registered corporation in the State of Delaware.

FACTS

7. On October 9, 2001, U.S. Patent No. 6,301,619, entitled “System and Method for Providing Service of Sending Real Time Electronic Information to Selected Individual Viewers of Transmitted Video or Computerized Signals” was duly and legally issued. A true and correct

copy of the '619 Patent is attached hereto as Exhibit A. The '619 Patent issued from application Serial Number 09/260,035 filed March 2, 1999. The inventors assigned all right, title and interest in the '619 Patent to Oplus Technologies Ltd. Oplus Technologies Ltd. assigned its entire right, title, and interest in '619 Patent to Lone Star Technological Innovations, LLC, who then assigned its entire right, title, and interest in the '619 Patent to LSTA. LSTA is the sole owner of all rights, title, and interest in and to the '619 Patent including the right to sue for and collect past, present, and future damages and to seek and obtain injunctive or any other relief for infringement of the '619 Patent.

8. Claim 9 of the '619 Patent states:

A method for a sender sending real time electronic information to a viewer of transmitted video signals, the method comprising the steps of:

- (a) providing viewer attribute information related to the viewer;
- (b) receiving and storing said viewer attribute information by an electronic device, included with an in communication with a television belonging to the view, said viewer attribute information input into said electronic device by the viewer;
- (c) providing sender requested electronic information of the sender to be transmitted by request of the sender to the viewer, said sender requested electronic information of the sender is included with a non-viewer provided subset of said viewer attribute information related to the viewer;
- (d) providing a service center for communicating to a television station provider of the transmitted video signals encoding instructions to form encoded sender requested electronic information of the sender;
- (e) transmitting a compound video signal including said non-viewer provided subset of viewer attribute information and said encoded sender requested electronic information of the sender by said television station provider of the transmitted video signals to said electronic device included with and in communication with said television belonging to the viewer;
- (f) making a decision selected from the group consisting of accepting said encoded sender requested electronic information of the sender and not accepting said encoded sender requested electronic information of the sender by said electronic device included with and in communication with said television belonging to the viewer, whereby said decision by said electronic device accepting said encoded sender requested electronic information the sender is made by recognizing said non-viewer provided subset of said viewer attribute information;

(g) decoding said encoded sender requested electronic information of the sender by said electronic device included with and in communication with said television belonging to the viewer to form decoded sender requested electronic information of the sender;

(h) formatting said decoded sender requested electronic information of the sender by said electronic device included with and in communication with said television belonging to the viewer to form formatted decoded sender requested electronic information of the sender;

(i) opening up of a subwindow within said television belonging to the viewer; and

(j) displaying said formatted decoder sender requested electronic information of the sender within said subwindow within said television belonging to the viewer.

On information and belief, Imagine Communications infringes Claim 9 of the '619 Patent. As stated on its website: "Imagine Communications' Dynamic Ad Insertion (DAI) solution allows cable MSOs, broadcasters, mobile operators, telcos and OTT service providers to maximize advertising revenue from linear and on-demand multiscreen and broadcast advertising. As the industry's first and most feature-rich manifest manipulation solution, it is suited to a host of content distribution environments and can be used across a variety of service offerings, including video streaming from any Internet-centric or on-demand source, integrated linear/nonlinear operations, and in cloud DVR or time-shifted content applications."

9. Imagine Communications' system infringes each element of Claim 9 as follows:

a. "providing viewer attributable information related to the viewer" – Imagine Communications' platform provides viewer attributed information related to the viewer, it utilizes viewer attribute information via advanced audience analytics, in particular: "Our state-of-the-art dynamic ad insertion solutions provide the world's most comprehensive capabilities for monetizing linear and nonlinear content, with components to dynamically manage and execute addressable ad and alternate content (e.g., blackout) campaigns in unison and deliver the highest value ads to the viewing audience, while working in conjunction with our advanced advertising solutions to cohesively manage linear and nonlinear ad campaigns." *See*

<https://www.imaginecommunications.com/products/targeted-delivery/ad-insertion-multiscreen>

b. “receiving and storing said viewer attribute information by an electronic device included with an in communication with a television belonging to the viewer, said viewer attribute information input into said electronic device by the viewer” – In order for Imagine Communications to utilize its platform and analytical system, an electronic device of the viewer’s is in communication with a TV in order to obtain “real-time” audience data and insights. For most viewers, on information and belief, this will be a set top box that provides the real-time analytics information to the “sender.” As stated by Imagine Communications, “As the industry’s most feature-rich OTT solution-set, it is suited to a host of content distribution environments and can be used across a variety of service offerings, including video streaming from any Internet-centric or on-demand source, integrated linear/nonlinear operations, and in cloud DVR or time-shifted content applications. In addition, Imagine’s Targeted Delivery OTT solutions with server-side manifest manipulation enable blackout/alternate content functions — all with the same easy-to-deploy solution components. Imagine’s OTT Monetization solution provides an integrated dynamic advertising ecosystem by leveraging AIM, our industry-leading manifest manipulator, POIS functionality to groom or directly insert markers for ads and alternate content, and a robust Alternate Content Decision Service. Standards-based and network-proven in live deployments, the OTT solutions offer a distributed architecture for independent scaling and redundancy. Manifest manipulation is made possible across all event types and use-cases, including linear TV, VOD, pre-record DVR, hot-record DVR, and blackouts. In addition, state-of-the-art third-party campaign management and analytics tools ensure maximum value for all ad placements.” See <https://www.imaginecommunications.com/solutions/targeted-delivery/ott-solutions>

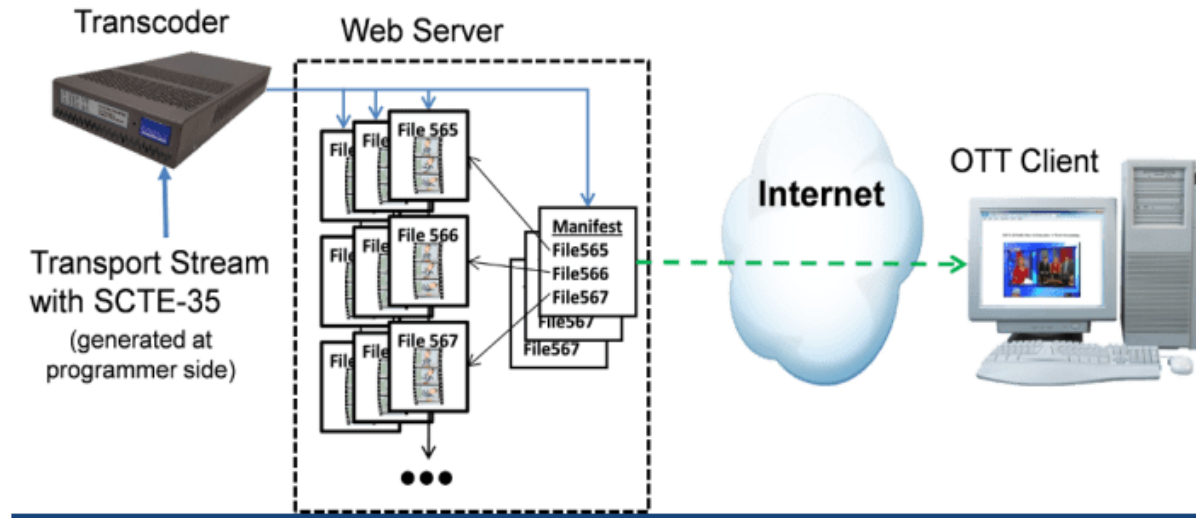
c. “providing sender requested electronic information of the sender to be transmitted by request of the sender to the viewer, said sender requested electronic information of the sender is included with a non-viewer provided subset of said viewer attribute information related to the viewer” -- On information and belief, targeted advertisement based on the campaign being run using Imagine Communications’ platform meets this requirement, as the sender is requesting the sending of information from sender to viewer based on viewer

attributable information. In addition, per the standard process of OTT ad insertion, ad content and targeting attributes must necessarily be encoded, formatted, and transmitted: “While there are many protocols used in OTT, they all work as follows (see Figure 3):

- The original transport stream from the programmer side (possibly decorated with SCTE-35 markers) goes to a transcoder device.
- The transcoder device produces several versions of the stream, at different resolutions and bit rates. These versions are called “profiles.”
- Each profile is further divided into individual files, called segments. Each segment is individually decodable—in other words, no data from a previous segment is required to start decoding it and it can be decoded up to its last frame, with no data required from the next segment. For H.264 streams, the segment starts on an IDR (“Instantaneous Decoding Refresh”) frame and the last GOP (“Group Of Pictures”) of the segment is closed.
- Segments correspond to a few seconds of video (between 2 and 30 seconds, typically around 5 to 10 seconds).
- Segments are placed in a web server.

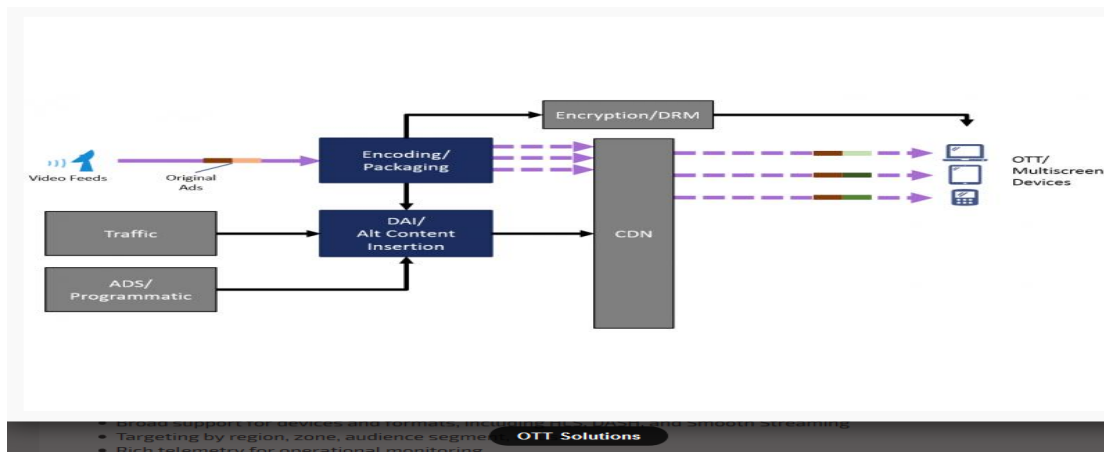
A “manifest” is also placed in the web server. The manifest lists the segments and there is a top-level manifest that lists the available profiles and their characteristics. Manifests are text files, and their format changes from standard to standard.”

Figure 3: Basic OTT operation



See <https://www.tvtechnology.com/opinions/scte10435-and-beyond-a-look-at-ad-insertion-in-an-ott-world>.

d. “providing a service center for communicating to a television station provider of the transmitted video signals encoding instructions to form encoded sender requested electronic information of the sender” -- Imagine Communications’ platform is the service center that interfaces in providing information of advertiser, content provider, and the viewer.



See <https://www.imaginecommunications.com/solutions/targeted-delivery/ott-solutions>

e. “transmitting a compound video signal including said non-viewer provided subset of viewer attribute information and said encoded sender requested electronic information of the sender by said television station provider of the transmitted video signals to said electronic device included with and in communication with said television belonging to the viewer.” -- This element is met as Imagine Communications transmits and sends encoded information, e.g. video to viewers including non-viewer provided information in order to deliver ads targeted to the viewer, especially in regard to the Imagine Communications’ platform’s ability to: Utilize “advanced adaptive bitrate (ABR) streaming to deliver hyper-targeted ads to smartphones, PCs, tablets, connected TVs and virtually any other device that receives live or on-demand video programming. By providing relevant ads in real time across various stream types — including live, VOD and cloud DVR — and on subscribers’ preferred viewing devices, Imagine’s AIM allows broadcasters and service providers to generate high CPM ad revenue for their live and on-demand multiscreen video offerings.”

“Imagine’s AIM is a widely deployed ad delivery solution that supports multiple use-cases — including addressable ad insertion and program substitution — that span across multiple formats and devices. AIM is a key enabler for Imagine’s solutions for alternate content and monetization for both OTT and linear distribution. Combined with Imagine’s VDE (Video Delivery Edge), a digital-first, software-based ABR edge device with dynamic ad insertion, it can serve as the central point of delivery and reporting for a unified ad insertion ecosystem that spans multiscreen and broadcast, simplifying traffic and billing and enabling campaigns that span multiple delivery and consumption modes.”

See <https://www.imaginecommunications.com/products/ad-management/advanced-advertising/aim>

f. “making a decision selected from the group consisting of accepting said encoded sender requested electronic information of the sender and not accepting said encoded sender requested electronic information of the sender by said electronic device included with and in communication with said television belonging to the viewer, whereby said decision by

said electronic device accepting said encoded sender requested electronic information the sender is made by recognizing said non-viewer provided subset of said viewer attribute information” – On information and belief, inherently, the only logical next step for said device is to determine whether to accept (for purposes of viewing/displaying) said sender requested electronic information based on whether the transmitted subset of viewer attribute information matches viewer attribute information on the device. The device determines whether a given transmission is intended for it by checking if the transmission is tagged with attributes matching its own local attributes.

Per the standard process of OTT ad insertion: “Playback devices will read the top level manifest and learn the available profiles. **They will then decide on a profile, read its individual manifest and start reading decoding the segments.** If the network conditions change, the playback device may switch to a higher or lower profile as needed. On a live stream, manifests are frequently updated.” See <https://www.tvtechnology.com/opinions/scte10435-and-beyond-a-look-at-ad-insertion-in-an-ott-world> (emphasis added).

g. “decoding said encoded sender requested electronic information of the sender by said electronic device included with and in communication with said television belonging to the viewer to form decoded sender requested electronic information of the sender” – On information and belief, encoded information is decoded in order for the information to be displayed to the viewer.

h. “formatting said decoded sender requested electronic information of the sender by said electronic device included with and in communication with said television belonging to the viewer to form formatted decoded sender requested electronic information of the sender” – On information and belief, decoded information is necessarily formatted in an appropriate manner consistent with the display requirements of the television with which it is in communication.

i. “opening up of a subwindow within said television belonging to the viewer” – A television screen displays content. Within the television, on information and

belief, there are other windows, such as when choosing the menu which pops up. At least for example, when dynamic brand insertion is utilized.

j. “ and, displaying said formatted decoder sender requested electronic information of the sender within said subwindow within said television belonging to the viewer”
-- On information and belief, after accepting, decoding, and formatting sender requested electronic information, the electronic device necessarily displays said sender requested electronic information.

FIRST CLAIM FOR RELIEF

Patent Infringement of the '619 Patent (35 U.S.C. §§ 101, et seq.)

10. LSTA refers to and incorporates herein by reference paragraphs 1-9.

11. Defendant infringed, either directly or indirectly, at least Claim 9 of the '619 Patent in this judicial district and the United States, through the services they provided as outlined at www.Imagine Communications and as described above.

12. Defendant, therefore, by the acts complained of herein, made, used, sold, or offered for sale in the United States, including in the District of Delaware, products and/or services embodying the patented method, and have in the past infringed the '619 Patent, either literally or under the doctrine of equivalents, pursuant to 35 U.S.C. §271(a).

13. To the extent that some elements of claim 9 were performed by a different party than Imagine Communications, Imagine Communications participated in the infringement (as described above) and received a benefit upon performance of the steps of the patented method. For example, Imagine Communications provided the software and technology that established viewer attribute information related to the viewer that can be collected, and how that information was transmitted, received, stored and acted upon in accordance with the patented method. Imagine Communications received a benefit from such actions by the customer and

television station provider as it allowed targeted advertising to be displayed through the top set box.

14. Upon information and belief, the acts described above concerning the use, offer for sale, sale, operation, distribution, and/or installation of Imagine Communications' products and/or software and those described below also constitute acts of induced and contributory infringement. Customers and users used the infringing products and software to provide targeted ads.

15. To the extent that some elements of a claim were performed by a different party than Imagine Communications, Imagine Communications, through its software and infringing products, participated in the infringement (as described herein) and receives a benefit upon performance of steps of a patented method. For example, Imagine Communications provided the software and technology that established viewer attribute information related to the viewer that can be collected, and how that information was transmitted, received, stored and acted upon in accordance with the patented method. Imagine Communications received a benefit from such actions by the customer and television station provider as it allowed targeted advertising to be displayed.

16. Upon information and belief, Imagine Communications provided its customers and/or users of its products and software instructions to use, load and operate in an infringing manner or to create and use infringing products. Upon information and belief, Imagine Communications further induced its customers and/or users of Imagine Communications' platform to use its products (and accompanying software) by providing subscriptions to Imagine Communications' platform. Further, Imagine Communications had actively induced infringement by its customers and/or users of Imagine Communications' products and software in this judicial district. Upon information and belief, Imagine Communications knowingly and specifically designed Imagine Communications' platform in a manner that infringed the '619 Patent. Upon information that belief, Imagine Communications also provides support services for claim 9 of the '619 Patent. Imagine Communications's targeted advertising method has no

substantial non-infringing use. Imagine Communications has acted with specific intent to induce or cause infringement and to conduct acts of infringement as described herein within the jurisdiction and elsewhere. Upon information and belief, Imagine Communications continued to provide instructions since having notice and actual knowledge of the '619 Patent.

17. Upon information and belief, Imagine Communications' method has no substantial non-infringing uses and is especially made and/or adapted so as to infringe the '619 Patent. Imagine Communications has acted with specific intent to induce or cause infringement and to conduct acts of infringement as described herein within this District and elsewhere.

18. Plaintiff has complied with the notice requirement of 35 U.S.C. § 287 and does not currently make, use, sell offer for sale products or services embodying the '619 Patent.

19. Plaintiff reserves the right to modify its infringement theories as discovery progresses in this case; it shall not be estopped for infringement contentions or claim construction purposes by the infringement allegations that it provides with this Complaint. The element-by-element analysis herein is intended to satisfy the notice requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure and does not represent Plaintiff's preliminary or final infringement contentions or preliminary or final claim construction positions.

20. By reason of the acts of Imagine Communications alleged herein, LSTA has suffered damage in an amount to be proved at trial.

JURY DEMAND

LSTA demands a jury trial on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, LSTA prays for relief as follows:

A. Judgment that Defendant has directly infringed, and induced others to infringe, the '619 Patent either literally and/or under the doctrine of equivalents;

B. Judgment awarding LSTA general and/or specific damages, including a reasonable royalty and/or lost profits, in amounts to be fixed by the Court in accordance with proof, including enhanced and/or exemplary damages, as appropriate, as well as all of

Defendant's profits or gains of any kind from their acts of patent infringement from six years prior to the filing of the complaint until March 2, 2019;

C. Judgment awarding LSTA all of its costs, including its attorneys' fees, incurred in prosecuting this action, including, without limitation, pursuant to 35 U.S.C. § 285 and other applicable law;

D. Judgment awarding LSTA pre-judgment and post-judgment interest; and

E. Judgment awarding LSTA such other and further relief as the Court may deem just and proper.

Dated: January 4, 2019

Respectfully submitted,

STAMOULIS & WEINBLATT LLC

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