IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

DYNADEX DATA, LLC,
 	
    Plaintiff,
 	
    v.
 	
NCH SOFTWARE PTY, LTD.,
 	
    Defendant.
	Case No.: 6:22-cv-618
	
	JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff, Dynadex Data, LLC ("Dynadex" or "Plaintiff"), for its Complaint against

Defendant NCH Software Pty, Ltd. (referred to herein as "NCH" or "Defendant"), alleges the

following:

NATURE OF THE ACTION

1.   This is an action for patent infringement arising under the patent laws of the United

States, 35 U.S.C. § 1 *et seq.*

THE PARTIES

2.   Plaintiff Dynadex is a Limited Liability Company organized under the laws of the

State of Delaware with a place of business at 3107 Boardwalk Atlantic City, NJ 08401.

3.   Upon information and belief, NCH is a corporation organized and existing under the

laws of Australia, with a place of business at 19 Barry Dr, Canberra ACT 2612, Australia.

4.   Upon information and belief, NCH sells, offers to sell, and/or uses products and

services throughout the United States, including in this judicial district, and introduces products

and services into the stream of commerce that incorporate infringing technology knowing they

would be sold and/or used in this judicial district and elsewhere in the United States.

JURISDICTION AND VENUE

5.   This is an action for patent infringement arising under the patent laws of the

United States, Title 35 of the United States Code.

6.   This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

7.   Venue is proper in this judicial district under 28 U.S.C. §1391(c)(3). On

information and belief NCH has committed acts of infringement in this District and is a foreign

corporation that may be sued in any judicial district.

8.   This Court has personal jurisdiction over Defendant under the laws of the State of

Texas due at least to their substantial business in Texas and in this judicial district, directly or

through intermediaries, including: (i) at least a portion of the infringements alleged herein; and

(ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or

deriving substantial revenue from goods and services provided to individuals in the State of

Texas.

COUNT I – INFRINGEMENT OF U.S. Patent No. 6,850,649

9.   The allegations set forth in the foregoing paragraphs 1 through 8 are incorporated

into this first claim for relief.

10.   On February 1, 2005, U.S. Patent No. 6,850,649 ("the '649 patent"), entitled

"Image Blocking Using Reordering and Blocking of Wavelet Coefficients Combined With

Adaptive Encoding" was duly and legally issued by the United States Patent and Trademark

Office. A true and correct copy of the '649 patent is attached as Exhibit 1.

11.   Plaintiff is the assignee and owner of the right, title and interest in and to the '649

patent, including the right to assert all causes of action arising under said patent and the right to

any remedies for infringement of them.

12.   The inventions of the '649 patent resolve technical problems related to image encoding.

13.   The claims of the '649 patent do not merely recite the performance of some business practice known from the pre-Internet world along with the requirement to perform it on the Internet. Instead, the claims of the '649 patent recite one or more inventive concepts that are rooted in computerized image encoding technology and overcome problems specifically arising in the realm of computerized image encoding technologies.

14.   As set forth above, the claims of the '649 patent recite an invention that is not merely the routine or conventional use of computers. Instead, the invention makes use of specific image encoding functionalities. The '649 patent claims thus specify how computing devices are manipulated to yield a desired result.

15.   The technology claimed in the '649 patent does not preempt all ways of using image encoding technologies, or any other well-known or prior art technology.

16.   Each claim of the '649 patent recites a combination of elements sufficient to ensure that the claim in practice amounts to significantly more than a patent on an ineligible concept.

17.   The patented inventions disclosed in the '649 patent provide many advantages over the prior art, and in particular provide improved encoding by the reordering of quantized wavelet coefficients to cluster large and small wavelet coefficients into separate groups without requiring the use of data-dependent data structures. The coefficients are then adaptively encoded based on a run-length code which continuously modifies a parameter that controls the codewords used to represents strings of quantized coefficients in order to minimize the number of bits spent in the codewords.

18.   Another advantage offered by the patented inventions is to allow for easier hardware or software implementations because the ordering pattern is fixed and the coefficient encoding does not require a modified table for each image.

19.   Further advantages offered by the patented inventions include the elimination of blocking artifacts, and single pass encoding for any desired compression ratio.

20.   Upon information and belief, Defendant has directly infringed, literally and/or under the doctrine of equivalents, at least claim 13 of the '649 patent by making, using, selling, offering to sell, importing and/or providing and causing to be used products, specifically one or more software products, which by way of example include the Express Animate Software program. *See* https://www.nchsoftware.com/animation/index.html (last visited and downloaded on June 13, 2022) (the "Accused Instrumentalities"). Upon information and belief, the exemplary versions herein and previous versions of the Accused Instrumentalities distributed prior to expiration of the patents in suit operated materially in the same manner.

21.   Upon information and belief, the Accused Instrumentalities perform a method of encoding wavelet coefficients corresponding to image data.

22.   Attached hereto as Exhibit 2, and incorporated herein by reference, is a claim chart detailing how one or more of the Accused Instrumentalities infringe claim 13 of the '649 patent.

23.   The Accused Instrumentalities infringed claim 13 of the '649 patent during the pendency of the '649 Patent.

24.   Plaintiff has been harmed by Defendant's infringing activities.

COUNT II – INFRINGEMENT OF U.S. Patent No. 7,120,307

25.   The allegations set forth in the foregoing paragraphs 1 through 24 are incorporated into this second claim for relief.

26.   On October 10, 2006, U.S. Patent No. 7,120,307 ("the '307 patent"), entitled "Image Encoding Using Reordering and Blocking of Wavelet Coefficients Combined With Adaptive Encoding" was duly and legally issued by the United States Patent and Trademark Office. A true and correct copy of the '307 patent is attached as Exhibit 3.

27.   Plaintiff is the assignee and owner of the right, title and interest in and to the '307 patent, including the right to assert all causes of action arising under said patent and the right to any remedies for infringement of them.

28.   The inventions of the '307 patent resolve technical problems related to image encoding.

29.   The claims of the '307 patent do not merely recite the performance of some business practice known from the pre-Internet world along with the requirement to perform it on the Internet. Instead, the claims of the '307 patent recite one or more inventive concepts that are rooted in computerized image encoding technology and overcome problems specifically arising in the realm of computerized image encoding technologies.

30.   As set forth above, the claims of the '307 patent recite an invention that is not merely the routine or conventional use of computers. Instead, the invention makes use of specific image encoding functionalities. The '307 patent claims thus specify how computing devices are manipulated to yield a desired result.

31.   The technology claimed in the '307 patent does not preempt all ways of using image encoding technologies, or any other well-known or prior art technology.

32.   Each claim of the '307 patent recites a combination of elements sufficient to ensure that the claim in practice amounts to significantly more than a patent on an ineligible concept.

33.   The patented inventions disclosed in the '307 patent provide many advantages over the prior art, and in particular provide improved encoding by the reordering of quantized wavelet coefficients to cluster large and small wavelet coefficients into separate groups without requiring the use of data-dependent data structures. The coefficients are then adaptively encoded based on a run-length code which continuously modifies a parameter that controls the codewords used to represents strings of quantized coefficients in order to minimize the number of bits spent in the codewords.

34.   Another advantage offered by the patented inventions is to allow for easier hardware or software implementations, because the ordering pattern is fixed, and the coefficient encoding does not require a modified table for each image.

35.   Further advantages offered by the patented inventions include the elimination of blocking artifacts, and single pass encoding for any desired compression ratio.

36.   Upon information and belief, Defendant has directly infringed, literally and/or under the doctrine of equivalents, at least claim 8 of the '307 patent by making, using, selling, offering to sell, importing and/or providing and causing to be used products, specifically one or more software products, which by way of example include Express Animate Software program. *See* https://www.nchsoftware.com/animation/index.html (last visited and downloaded on June 13, 2022) (the "Accused Instrumentalities"). Upon information and belief, the exemplary versions herein and previous versions of the Accused Instrumentalities distributed prior to expiration of the patents in suit operated materially in the same manner.

37.   Upon information and belief, the Accused Instrumentalities perform a method of encoding wavelet coefficients corresponding to image data.

38.   Attached hereto as Exhibit 4, and incorporated herein by reference, is a claim chart detailing how one or more of the Accused Instrumentalities infringe claim 8 of the '307 patent.

39.   The Accused Instrumentalities infringed claim 8 of the '307 patent during the pendency of the '307 patent.

40.   Plaintiff has been harmed by Defendant's infringing activities.

JURY DEMAND

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff demands a trial by jury on all issues triable as such.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment for itself and against Defendant as follows:

A.   An adjudication that the Defendant has infringed the '649 patent, and the '307 patent;

B.   An award of damages to be paid by Defendant adequate to compensate Plaintiff for Defendant's past infringement of the '649 patent and the '307 patent, including interest, costs, expenses and an accounting of all infringing acts including, but not limited to, those acts not presented at trial;

C.   A declaration that this case is exceptional under 35 U.S.C. § 285, and an award of Plaintiff's reasonable attorneys' fees; and

D.   An award to Plaintiff of such further relief at law or in equity as the Court deems just and proper.

Dated: June 14, 2022   Respectfully submitted,

DEVLIN LAW FIRM LLC

/s/ Timothy Devlin
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