DEVLIN LAW FIRM LLC Alex Chan (SBN 278805) achan@devlinlawfirm.com 16219 Flamstead Drive Hacienda Heights, CA 91745 Telephone: (302) 449-9010 Attorneys for Plaintiff Virtual Immersion Technologies LLC UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA WESTERN DIVISION VIRTUAL IMMERSION TECHNOLOGIES LLC, Plaintiff, Case No.: 2:22-cv-4514 **COMPLAINT FOR PATENT** v. **INFRINGEMENT** CANNONDESIGN BUILDERS, INC., Defendant. 

Plaintiff Virtual Immersion Technologies LLC ("VIT" or "Plaintiff"), for its Complaint against Defendant CannonDesign Builders, Inc. ("CannonDesign" 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 VIT is a limited liability company organized under the laws of the state of Texas.

3. Upon information and belief, CannonDesign is a corporation organized and existing under the laws of the state of California, with a principal place of business located at 2875 Michelle Drive, Suite 210, Irvine, California, 92606. Upon information and belief, CannonDesign sells and offers to sell products and services throughout the United States, including in this District, and introduces products and services into the stream of commerce that incorporate infringing technology knowing that they would be sold in this District and

elsewhere in the United States.

## JURISDICTION AND VENUE

4. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code.

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

6. Venue is proper in this judicial district pursuant to 28 U.S.C. §1400(b). On information and belief, CannonDesign has committed acts of infringement in this District and maintains an established place of business in the state of California and in this District, specifically including the CannonDesign office at 444 Flower Street, Los Angeles, California 90071.

7. Upon information and belief, the Defendant is subject to this Court's general and specific personal jurisdiction due at least to their substantial business in California and in this 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 and entities in the State of California.

#### **BACKGROUND AND PATENT ELIGIBILITY OF THE PATENT IN SUIT**

- 8. A true and correct copy of U.S. Patent No. 6,409,599 ("the '599 patent" or the "patent in suit") is attached as Exhibit A. The '599 patent includes 9 claims ('599 patent, Ex. A at 16:6-20:12)<sup>1</sup>, including claim 9 (*id.* at 18:61-20:12).
- 9. The '599 patent relates to systems and methods in which participants interact with a computerized environment in addition to live and/or pre-recorded performers. (*See* Ex. A at 1:20-23.) The '599 patent describes and enables immersive interactive virtual reality computer systems and methods in which participants interact with a virtual reality environment and live performers using a variety of immersion and input devices." (*Id.* at 1:23-26.)
- 10. The claims of the '599 patent are directed to tangible embodiments. Claim 9, for example, is a method claim, which requires providing several input/output devices in electronic communication with an immersive virtual reality environment. (*Id.* at 18:61-20:12.)
- 11. The claims of the '599 patent are directed to providing a unique computing solution that addresses a problem particular to computerized virtual reality systems—providing an immersive interactive virtual reality system in which there exists three-way communication among and between participants, live performers and the virtual reality environment. (*Id.* at 3:24-27.)

<sup>&</sup>lt;sup>1</sup> Citations to patents in this Complaint refer to columns and lines within columns of any cited patent. For example, the citation referenced by this footnote refers to column 16, at line 6 through column 20, line 12, in the '599 patent.

- 12. Providing an immersive interactive virtual reality system with three-way communication in the manner claimed in the '599 patent solved new challenges over the techniques and systems known in the art at the time. Thus, the claims of the '599 patent contain inventive concepts, being both novel and unconventional, which are sufficient to render the '599 patent claims to be patent-eligible.
- 13. Prior to the priority date of the '599 patent, in systems such as traditional virtual reality systems, figures or objects not controlled by participants moved autonomously or, if a participant had an opportunity to interact with such objects in the virtual reality environment, the objects were limited to computer generated images and not live performers. (*Id.* at 1:57-67.)
- 14. Groups of participants have been entertained by graphically enhanced performers on stage or television. However, these instances occurred through non-immersion mediums without the enhancements of immersion-type devices or methods. (*Id.* at 2:5-9.)
- 15. Early entertainment systems, which allowed participants to interact with a host and an environment using some input device, did not operate within an immersive virtual reality environment and therefore lacked its immersive effects and their impact on participants. (*Id.* at 2:40-47.)
- 16. The '599 patent overcame these disadvantages by, for example, describing and enabling a system and method for delivering information "which provides three-way immersive interactive communication amongst and between" participants, an immersive environment, and live performers. (*Id.* at 2:55-57.)
- 17. The inventors of the claimed invention in the '599 patent changed the focus from an interaction between individual participants and computer-generated graphical objects within a virtual reality environment to a three-way communication amongst and between participants, live or pre-recorded performers, and an immersive virtual reality environment. (*Id.* at 3:11-17.) The inclusion of

1

3 4

5

6

7

8

9

10

11 12

13

14

15 16

17

18

19 20

21

22

23

24

25 26

27

28

three-way communication results in a synergistic effect, which creates an unparalleled experience. (*Id.* at 3:18-22.)

- Furthermore, the claimed invention of the '599 patent represents an 18. intrinsic improvement to the underlying computer technology involved. The disclosed system includes a variety of audio and video components. (See, e.g., claim 9 of the '599 patent.) The variety of audio and video components enable innovative mixing and switching techniques which allows the system to present to each of the participants a virtual reality environment in which a live representation of the performers is superimposed within the environment. (*Id.* at 4:5-9.) The participants are able to view and interact with a novel display of both graphical data and live representations for an exciting experience. (*Id.* at 4:9-12.)
- The inventors of the '599 patent took considerable personal risks to 19. nurture and prove out the technology systems described in the '599 patent, contributing substantially to today's virtual reality industry explosion.
- 20. The inventors of the '599 patent have utilized the technology described by the '599 patent for more than ten years, shipping virtual reality systems to five continents and entertaining or educating an estimated 30 million people worldwide with their immersive virtual reality live theater attractions and promotions.
- 21. The virtual reality theater technology created by the inventors has been recognized and awarded on an international scale, the products winning "Best New Product" and "Best of Show" at the International Association of Amusement Parks and Attractions global convention in Atlanta in November 2000, and again for 'Best of Show' in 2002 in Orlando, as well as national awards for graphics and creativity in the Print Media industry. The products and concepts have garnered dozens of feature articles in news media promoting clients and their products in a variety of industries.

- 22. The inventors of the '599 patent continue to have a direct interest in activities related to the '599 patent, working closely with VIT to identify and evaluate entities making use of the technology claimed by the '599 patent without permission or license thereto.
- 23. The inventions of the '599 patent resolve technical problems related to virtualized interactive technology. For example, the inventions allow parties to interact in a virtual environment in real time with one or more live performers and participants, which, on information and belief, is exclusively implemented using computer technology.
- 24. The claims of the '599 patent do not merely recite the performance of some method known from the pre-Internet world along with the requirement to perform it on the Internet. Instead, the claims of the '599 patent recite inventive concepts that are rooted in computerized virtual reality technology and overcome problems specifically arising in the realm of computerized virtual reality technologies.
- 25. The claims of the '599 patent recite an invention that is not merely the routine or conventional use of computerized communication technology. Instead, the invention makes it possible to interact with one or more live performers and/or participants in a virtualized environment, which does not require the physical presence of either the one or more performers, or participants in order for such interactions to take place. The '599 patent claims thus specify how communication input, output, and system devices are manipulated to yield a virtual, interactive experience controlled in part by one or more participants.
- 26. The technology claimed in the '599 patent does not preempt all ways of using interactive communications technology, nor preempt the use of any well-known communications technology, nor preempt any other well-known or prior art technology.

- 27. The '599 patent claims are not directed to any "method of organizing human activity," "fundamental economic practice long prevalent in our system of commerce," nor are any of the claims "a building block of the modern economy."
- 28. The '599 patent does not take a well-known or established business method or process and apply it to a general-purpose computer. Instead, the specific systems and processes described in the '599 patent have no direct corollary to a process that predates the advent of the Internet.
- 29. The '599 patent claims are directed toward a solution rooted in computer technology and uses technology, unique to computers and networks, to overcome a problem specifically arising in the realm of computerized virtual reality technologies.
- 30. The '599 patent claims are not directed at a mere mathematical relationship or formula.
- 31. The '599 patent claims cannot be performed by a human, in the human mind, or by pen and paper.
- 32. Accordingly, claim 9 of the '599 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.

### **VIT'S PATENT LITIGATION HISTORY**

33. The '599 patent has been subject to prior litigation through VIT in approximately 50 different matters in various other districts, all of which have been terminated.

### COUNT I – INFRINGEMENT OF U.S. PATENT NO. 6,409,599

- 34. The allegations set forth in the foregoing paragraphs 1 through 33 are incorporated into this First Claim for Relief.
- 35. On June 25, 2002, the '599 patent, was duly and legally issued by the United States Patent and Trademark Office under the title "Interactive Virtual Reality Performance Theater Entertainment System."

8 9

10 11

12

13

14 15

17 18

16

19

20

21 22

23

24 25

26

- 36. VIT is the assignee and owner of the right, title and interest in and to the '599 patent, including the right to assert all causes of action arising under said patents and the right to any remedies for infringement of them.
  - The '599 patent expired on or about July 19, 2019. 37.
- 38. Upon information and belief, Defendant has directly infringed under 35 U.S.C. § 271(a), literally and/or under the doctrine of equivalents, claim 9 of the '599 patent by making, using, selling, offering to sell, importing and/or providing and/or causing to be used systems in a method according to claim 9. (See, e.g., CannonDesign reinvents design workflow with holodeck – https://blogs.nvidia.com/blog/2018/08/08/nvidia-holodeck-vr-tools-architectureengineering-construction/last accessed and downloaded, June 30, 2022, the "Accused Instrumentalities".)
- 39. Upon information and belief, the Accused Instrumentalities performs a method for providing interactive communications between participants and performers including providing an immersive virtual reality environment and providing in electronic communication with the immersive virtual reality environment, a performer input device, a participant input device, a performer output device, a participant output device. The method includes having a live performer interact with a participant and said immersive virtual reality environment, by including with the virtual reality environment a live or prerecorded video image of the live performer and audio communication between the live performer and the participant, or between the participant and the live performer, or both and having the participant interact with the live performer and the immersive virtual reality environment, resulting in an experience which is in part controlled by the participant and the participant input device.
- 40. Exemplary infringement analysis showing infringement of claim 9 of the '599 patent is set forth in Exhibit B. This infringement analysis is necessarily preliminary, as it is provided in advance of any discovery provided by

- CannonDesign with respect to the '599 patent. VIT reserves all rights to amend, supplement and modify this preliminary infringement analysis. Nothing in the attached chart should be construed as any express or implied contention or admission regarding the construction of any term or phrase of the claims of the '599 patent.
- 41. Claim 9, which is a method claim, is the only claim of the '599 patent that is asserted in this Complaint.
- 42. Upon information and belief, the Accused Instrumentality has infringed claim 9 of the '599 patent during the pendency of the '599 patent.
  - 43. VIT has been harmed by CannonDesign's infringing activities.

#### **JURY DEMAND**

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

#### **PRAYER FOR RELIEF**

WHEREFORE, VIT demands judgment for itself and against CannonDesign as follows:

- A. An adjudication that CannonDesign has infringed the '599 patent;
- B. An award of damages to be paid by CannonDesign adequate to compensate VIT for CannonDesign's past infringement of the '599 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 VIT's reasonable attorneys' fees; and
- D. An award to VIT of such further relief at law or in equity as the Court deems just and proper.

1		
2	Dated: July 1, 2022	By: /s/ Alex Chan Alex Chan (SBN 278805) achan@devlinlawfirm.com DEVLIN LAW FIRM LLC
3		DEVLIN LAW FIRM LLC
4		16219 Flamstead Drive Hacienda Heights, CA 91745 Telephone: (302) 449-9010
5		
6		Attorneys for Plaintiff Virtual Immersion Technologies LLC
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		