

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

VIDEOLABS, INC.,

Plaintiff,

v.

HP Inc.,

Defendant.

Case No. 6:22-cv-01086-ADA

Jury Trial Demanded

AMENDED COMPLAINT

Plaintiff VideoLabs, Inc. (“Plaintiff” or “VideoLabs”), for its Amended Complaint against Defendant HP Inc. (“Defendant” or “HP”), hereby alleges and states the following:

INTRODUCTION

1. This is an action for patent infringement under the patent laws of the United States, 35 U.S.C. §§ 271, *et seq.*, to obtain damages resulting from Defendant’s unauthorized and ongoing actions of making, having made, using, selling, having sold, offering to sell, importing, and/or having imported into the United States products that infringe or enable the infringement of one or more claims of United States Patent No. 7,769,238 (the “’238 Patent”), United States Patent No. 8,139,878 (the “’878 Patent”), United States Patent No. 8,208,542 (the “’542 Patent”), and United States Patent No. 7,219,027 (the “’027 Patent”) (collectively, the “Asserted Patents”), including without limitation, desktop computers and laptop computers (the “Accused Products”).

THE PARTIES

2. VideoLabs is a corporation organized and existing under the laws of the State of Delaware with a principal place of business at 2303 Saint Francis Drive, Palo Alto, California 94303.

3. VideoLabs is a professional intellectual property services company and licensing platform with a primary focus on acquiring and licensing high-quality patents relevant to the broader video ecosystem.

4. On information and belief, HP Inc. is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 1501 Page Mill Road, Palo Alto, California 94304.

5. On information and belief, HP Inc. is in the business of developing, making, offering for sale, selling, importing, distributing, and/or supporting Accused Products that are manufactured outside of the United States, including, without limitation, desktop and laptop computers.

JURISDICTION AND VENUE

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

7. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

8. This Court has personal jurisdiction over HP because it has, directly and/or through its agents and/or intermediaries, committed acts and continues to commit acts of patent infringement within Texas giving rise to this action and has established minimum contacts with Texas such that the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice. HP, directly and/or indirectly at least through agents and intermediaries, has

committed and continues to commit acts of infringement in this District by, among other things, making, using, selling, offering to sell, and importing the Accused Products.

9. On information and belief, HP regularly conducts business in Texas, including in this District, and purposefully avails itself of the privileges of conducting business in Texas and this District. In particular, on information and belief, HP and/or its agents and/or intermediaries, make, use, import, offer for sale, sell and/or advertise their products and affiliated services in Texas and this District, including but not limited to the representative HP products in the attached charts, sufficient to give rise to jurisdiction. On information and belief, Defendant has placed and continues to place, infringing products into the stream of commerce, via an established distribution channel, with the knowledge and/or understanding that such products are sold in the United States, including in Texas, and specifically including in this District.

10. On information and belief, HP derives substantial revenue from the sale of Accused Products distributed within Texas, including within this District, and/or expects or should reasonably expect its actions to have consequences in Texas. In addition, on information and belief, HP knowingly induces, and continues to knowingly induce, infringement of the Asserted Patents within Texas and within this District, by offering for sale, selling, and/or contracting with others to market Accused Products with the intent to facilitate infringing use of the products by others within Texas and by creating and/or disseminating product information and other materials providing instruction for infringing use.

11. HP's infringing activity has led to foreseeable harm and injury to VideoLabs.

12. Venue for these claims is proper under 28 U.S.C. § 1391 and 28 U.S.C. § 1400(b).

13. Venue is proper in this District under 28 § 1400(b) because, among other things, Defendant has transacted business in this District and has committed acts of infringement in and

has a regular and established place of business in this District. For example, on information and belief, HP conducts business at least at its Austin, Texas storefront located in this District at 3800 Quick Hill Road, #100, Austin, Texas 78728. According to HP, over 150 employees work at this location.¹

14. On information and belief, HP also has a data center located in this District at 3301 Hibbetts Road, Austin, Texas 78721.²

15. In addition, HP advertises job openings located in this District and throughout Texas, including openings for positions in software, information technology, and services.³

BACKGROUND

16. On information and belief, to the extent applicable, VideoLabs has complied with 35 U.S.C. § 287, at least because HP has knowledge of the Asserted Patents and notice of its infringement thereof.

17. HP has been aware of each of the '238, '878, and '542 Patents and its infringement thereof since at least August 17, 2021, when VideoLabs sent HP a list of its patents and marked the '238, '878, and '542 Patents as particularly relevant to HP.

18. HP further has had notice of its infringement of each of the '238, '878, and '542 Patents at least as of the filing of the Complaint. (Dkt. 1, Oct. 18, 2022.) HP has had notice of its infringement of the '027 Patent at least as of the filing of this Amended Complaint.

19. Despite HP's knowledge of the Asserted Patents and notice of its infringement thereof, HP continued and/or still continues, to engage in activities it knew, or should have known, amounted to infringement within the United States.

¹ See, e.g., *Unification Technologies LLC, v. HP Inc.*, No. 6:20-cv-501-ADA, Dkt. No. 24 (W.D. Tex. Sept. 25, 2020).

² See, e.g., <https://baxtel.com/data-center/hp-austin>.

³ See, e.g., <https://apply.hp.com/careers?query=austin%20texas&domain=hp.com>.

COUNT I
(Infringement of U.S. Patent No. 7,769,238)

20. VideoLabs re-alleges and incorporates by reference the allegations in the foregoing paragraphs as if fully set forth herein.

21. The '238 Patent was duly and legally issued for "Picture Coding Method and Picture Decoding Method" on August 3, 2010. The '238 Patent was in full force and effect until it was terminally disclaimed on July 6, 2023. A true and correct copy of the '238 Patent is attached hereto as Exhibit 1.

22. VideoLabs is the assignee and owner of the '238 Patent with the exclusive right to enforce the '238 Patent against Defendant and the exclusive right to collect damages from Defendant for infringement of the '238 Patent for all relevant times, including the right to prosecute this action.

23. On information and belief, Defendant has directly infringed all claims of the '238 Patent either literally or under the doctrine of equivalents, without authority, consent, right, or license, by making, using, offering to sell, or selling within the United States, or importing into the United States, the Accused Products.

24. As shown in the claim chart attached hereto as Exhibit 2, the Accused Products practice all elements of at least claim 1 of the '238 Patent. Exhibit 2 is representative of the manner of infringement of all of Defendant's Accused Products.

25. Defendant also has induced and/or contributed to infringement of the '238 Patent under 35 U.S.C. §§ 271(b) and (c), either literally or under the doctrine of equivalents. Defendant had knowledge of the '238 Patent and notice of its infringement thereof. Defendant actively induced its customers to purchase and use the Accused Products such that the customers directly infringed the '238 Patent. For example, Defendant provided manuals to its customers

instructing them to use the Accused Products to directly infringe the Asserted Claims of the '238 Patent, including, for example, to play certain types of video.⁴ Defendant further assisted customers in installing, maintaining, testing, and using the Accused Products such that customers directly infringed the '238 Patent. Defendant also contributed to others practicing the '238 Patent and Defendant knew that the Accused Products were especially made or adapted to practice the Asserted Claims and are not staple articles of commerce suitable for substantial non-infringing use.

26. As a result of Defendant's infringing conduct, VideoLabs has suffered damages in an amount that, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by the Court under 35 U.S.C. § 284, including past damages under 35 U.S.C. § 287.

COUNT II
(Infringement of U.S. Patent No. 8,139,878)

27. VideoLabs re-alleges and incorporates by reference the allegations in the foregoing paragraphs as if fully set forth herein.

28. The '878 Patent was duly and legally issued for "Picture Coding Method and Picture Decoding Method" on March 20, 2012. The '878 Patent is in full force and effect. A true and correct copy of the '878 Patent is attached hereto as Exhibit 3.

29. VideoLabs is the assignee and owner of the '878 Patent with the exclusive right to enforce the '878 Patent against Defendant and the exclusive right to collect damages from Defendant for infringement of the '878 Patent for all relevant times, including the right to collect

⁴ See, e.g., <https://www.hp.com/us-en/shop/pdp/hp-envy-x360-2-in-1-laptop-15-ey0797nr> ("Look your best on video calls" and "Experience clear video chats"); <http://h10032.www1.hp.com/ctg/Manual/c04649647.pdf> at 23 ("Your computer is a powerful video device that enables you to watch streaming video from your favorite websites and download video and movies to watch on your computer[.]").

damages from Defendant for infringement of the '878 Patent for all relevant times, including the right to prosecute this action.

30. On information and belief, Defendant directly infringes, and has directly infringed, all claims of the '878 Patent either literally or under the doctrine of equivalents, without authority, consent, right, or license, by making, using, offering to sell, or selling within the United States, or importing into the United States, the Accused Products.

31. As shown in the claim chart attached hereto as Exhibit 4, the Accused Products practice all elements of at least claim 1 of the '878 Patent. Exhibit 4 is representative of the manner of infringement of all of Defendant's Accused Products.

32. Defendant also actively induces and/or contributes to, and has induced and/or contributed to, infringement of the '878 Patent under 35 U.S.C. §§ 271(b) and (c), either literally or under the doctrine of equivalents, and continues to do so. Defendant has knowledge of the '878 Patent and notice of its infringement thereof. Defendant actively induces its customers to purchase and use the Accused Products such that the customers directly infringe the '878 Patent. For example, Defendant provides manuals to its customers instructing them to use the Accused Products to directly infringe the Asserted Claims of the '878 Patent, including, for example, to take or record certain types of video.⁵ Defendant further assists customers in installing, maintaining, testing, and using the Accused Products such that customers directly infringe the '878 Patent. Defendant also contributes to others practicing the '878 Patent because Defendant sells and offers to sell the Accused Products for use in practicing the '878 Patent and Defendant

⁵ See, e.g., <http://h10032.www1.hp.com/ctg/Manual/c04649647.pdf> at 9, 22 (“Your computer has an integrated webcam that records video and ... may allow you to video conference and chat online using streaming video”).

knows that the Accused Products are especially made or adapted to practice the Asserted Claims and are not staple articles of commerce suitable for substantial non-infringing use.

33. As a result of Defendant's infringing conduct, VideoLabs has suffered damages and will continue to suffer damages in an amount that, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by the Court under 35 U.S.C. § 284, including past damages under 35 U.S.C. § 287.

COUNT III
(Infringement of U.S. Patent No. 8,208,542)

34. VideoLabs re-alleges and incorporates by reference the allegations in the foregoing paragraphs as if fully set forth herein.

35. The '542 Patent was duly and legally issued for "Moving Picture Coding Method and Moving Picture Decoding Method" on June 26, 2012. The '542 Patent is in full force and effect. A true and correct copy of the '542 Patent is attached hereto as Exhibit 5.

36. VideoLabs is the assignee and owner of the '542 Patent with the exclusive right to enforce the '542 Patent against Defendant and the exclusive right to collect damages from Defendant for infringement of the '542 Patent for all relevant times, including the right to prosecute this action.

37. On information and belief, Defendant directly infringes, and has directly infringed, all claims of the '542 Patent either literally or under the doctrine of equivalents, without authority, consent, right, or license, by making, using, offering to sell, or selling within the United States, or importing into the United States, the Accused Products.

38. As shown in the claim chart attached hereto as Exhibit 6, the Accused Products practice all elements of at least claim 1 of the '542 Patent. Exhibit 6 is representative of the manner of infringement of all of Defendant's Accused Products.

39. Defendant also actively induces and/or contributes to, and has induced and/or contributed to, infringement of the '542 Patent under 35 U.S.C. §§ 271(b) and (c), either literally or under the doctrine of equivalents, and continues to do so. Defendant has knowledge of the '542 Patent and notice of its infringement thereof. Defendant actively induces its customers to purchase and use the Accused Products such that the customers directly infringe the '542 Patent. For example, Defendant provides manuals to its customers instructing them to use the Accused Products to directly infringe the Asserted Claims of the '542 Patent, including, for example, to take or record certain types of video.⁶ Defendant further assists customers in installing, maintaining, testing, and using the Accused Products such that customers directly infringe the '542 Patent. Defendant also contributes to others practicing the '542 Patent because Defendant sells and offers to sell the Accused Products for use in practicing the '542 Patent and Defendant knows that the Accused Products are especially made or adapted to practice the Asserted Claims and are not staple articles of commerce suitable for substantial non-infringing use.

40. As a result of Defendant's infringing conduct, VideoLabs has suffered damages and will continue to suffer damages in an amount that, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by the Court under 35 U.S.C. § 284, including past damages under 35 U.S.C. § 287.

COUNT IV
(Infringement of U.S. Patent No. 7,219,027)

41. VideoLabs re-alleges and incorporates by reference the allegations in the foregoing paragraphs as if fully set forth herein.

⁶ See, e.g., <http://h10032.www1.hp.com/ctg/Manual/c04649647.pdf> at 9, 22 (“Your computer has an integrated webcam that records video and ... may allow you to video conference and chat online using streaming video”).

42. The '027 Patent was duly and legally issued for "Operation Monitor Device for Hardware Component" on May 15, 2007. The '027 Patent is in full force and effect. A true and correct copy of the '027 Patent is attached hereto as Exhibit 7.

43. VideoLabs is the assignee and owner of the '027 Patent with the exclusive right to enforce the '027 Patent against Defendant and the exclusive right to collect damages from Defendant for infringement of the '027 Patent for all relevant times, including the right to prosecute this action.

44. On information and belief, Defendant directly infringes, and has directly infringed, at least one claim of the '027 Patent either literally or under the doctrine of equivalents, without authority, consent, right, or license, by making, using, offering to sell, or selling within the United States, or importing into the United States, the Accused Products.

45. As shown in the claim chart attached hereto as Exhibit 8 the Accused Products practice all elements of at least claim 1 of the '027 Patent. Exhibit 8 is representative of the manner of infringement of all of Defendant's Accused Products.

46. Defendant also actively induces and/or contributes to, and has induced and/or contributed to, infringement of the '027 Patent under 35 U.S.C. §§ 271(b) and (c), either literally or under the doctrine of equivalents, and continues to do so. Defendant has knowledge of the '027 Patent and notice of its infringement thereof. Defendant actively induces its customers to purchase and use the Accused Products with the specific intent that the customers directly infringe the '027 Patent. For example, Defendant provides manuals to its customers instructing them to use the Accused Products to directly infringe the Asserted Claims of the '027 Patent, including, for example, to use the central processing unit (CPU) and/or the graphics processing

unit (GPU) in the Accused Products in a manner that infringes the '027 Patent.⁷ Defendant further assists customers in installing, maintaining, testing, and using the Accused Products such that customers directly infringe the '027 Patent. Defendant also contributes to others practicing the '027 Patent because Defendant sells and offers to sell the Accused Products for use in practicing the '027 Patent and Defendant knows that the Accused Products are especially made or adapted to practice the Asserted Claims and are not staple articles of commerce suitable for substantial non-infringing use.

47. As a result of Defendant's infringing conduct, VideoLabs has suffered damages and will continue to suffer damages in an amount that, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by the Court under 35 U.S.C. § 284, including past damages under 35 U.S.C. § 287.

PRAYER FOR RELIEF

WHEREFORE, VideoLabs respectfully requests that this Court:

48. Enter a judgment that HP infringed and/or infringes each of the Asserted Patents;

49. Permanently enjoin HP, its parents, subsidiaries, affiliates, agents, servants, employees, attorneys, representatives, successors and assigns, and all others in active concert or participation with them from infringing the '878 Patent, '542 Patent, and the '027 Patent;

⁷ See, e.g., Sean Whaley, *How to Overclock Your PC*, HP Tech Takes (Jul. 17, 2018) <https://www.hp.com/us-en/shop/tech-takes/how-to-overclock-pc-cpu>; see, e.g., HP Support, *Overclock an OMEN Computer | OMEN Gaming | HP Support*, YouTube (Nov. 21, 2019) <https://www.youtube.com/watch?v=dQNi3D7j3Nk>; see, e.g., *HP OMEN and HP Victus PCs – Balancing Temperature and Performance in HP Gaming PCs*, HP Support

50. Order an award of damages to VideoLabs in an amount no less than a reasonable royalty, together with pre-judgment and post-judgment interest and costs, as applicable;
51. Enter a judgment that the infringement is and/or was willful and order treble damages;
52. Order an accounting to determine the damages to be awarded to VideoLabs as a result of HP's infringement, including an accounting for infringing sales not presented at trial and award additional damages for any such infringing sales;
53. Find that this case is exceptional and award VideoLabs its costs, expenses, and reasonable attorneys' fees under 35 U.S.C. § 285; and
54. Grant such other and further relief as the Court may deem proper and just.

DEMAND FOR JURY TRIAL

VideoLabs hereby respectfully requests a trial by jury of all issues so triable, pursuant to Fed. R. Civ. P. 38.

Date: June 28, 2024

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CERTIFICATE OF SERVICE

A copy of this document is being served on counsel of record through the Court's ECF system.

/s/ Max Ciccarelli

Max Ciccarelli