

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

JUDGE PLUNKETT
MAGISTRATE JUDGE DENLOW

GENERAL INSTRUMENT
CORPORATION,

Plaintiff,

v.

ORBSAK, L.L.C.,

Defendant.

030 0965

Civil Action No.

Jury Demand Requested

FILED
FEB 11 2003
U.S. DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

DOCKETED
FEB 11 2003

**COMPLAINT FOR DECLARATORY JUDGMENT OF
INVALIDITY AND NON-INFRINGEMENT OF PATENT**

Plaintiff, General Instrument Corporation, for its Complaint against Defendant Orbsak, L.L.C., states as follows:

I. THE PARTIES

1. Plaintiff, General Instrument Corporation ("General Instrument"), is a Delaware corporation with its principal place of business in Horsham, Pennsylvania.
2. Defendant, Orbsak, L.L.C. ("Orbsak"), is believed to be an Illinois Limited Liability Corporation with its principal place of business in Chicago, Illinois.

II. JURISDICTION AND VENUE

3. Subject matter jurisdiction is grounded on the presence of an action arising under the patent laws of the United States, Title 35, United States Code, as implemented by 28 U.S.C. §1338(a) that gives the federal courts exclusive

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jurisdiction, and on the Federal Declaratory Judgments Act, 28 U.S.C. §2201 and 2202.

4. Upon information and belief, Orbsak is a limited liability corporation registered in this judicial district and has its principal place of business within this judicial district; therefore, Orbsak is subject to personal jurisdiction in this judicial district.

5. Venue properly lies in the Northern District of Illinois pursuant to 28 U.S.C. §1391(b) and (c) because a substantial part of the events giving rise to this claim occurred in this District.

III. BACKGROUND TO THE CONTROVERSY

6. General Instrument is in the business of manufacturing and selling digital television receivers.

7. Upon information and belief, Orbsak is in the business of obtaining and licensing patents, including a group of patents issued to Lord Samuel Kassatly (“the Kassatly patents”).

8. On October 13, 1999, Orbsak sued GI for infringement of U.S. Patent Nos. 4,903,126 and 6,049,694, both of which were issued to Mr. Kassatly, in a case styled *Orbsak, L.L.C. v. General Instrument Corporation* Civil Action Number 99 C 6684 (“the Orbsak I litigation”). Initial discovery was exchanged between the parties in the litigation and a *Markman* hearing was held before the Honorable Judge Matthew F. Kennelly on December 6, 2000. Following Judge Kennelly’s Memorandum Opinion

and Order Regarding Claim Construction, General Instrument moved for Summary Judgment of Non-Infringement. On February 4, 2002, the Court granted Summary Judgment in favor of General Instrument. Orbsak subsequently appealed the Court's ruling to the Court of Appeals for the Federal Circuit. Currently, that Appeal (Case No. 02-1296) is fully briefed and awaiting a hearing date before the Court.

9. Upon information and belief, after the *Markman* hearing on December 6, 2000, Mr. Kassatly, through his counsel, deleted all of the claims in pending U.S. Application No. 09/004,162, ("the '162 application") which claimed priority to both of the patents at issue in the Orbsak v. General Instrument litigation. Mr. Kassatly then submitted new claims modifying the claim language that was at issue during the *Markman* hearing in the Orbsak I Litigation.

10. On December 10, 2002, the '162 application issued to Lord Samuel A. Kassatly as U.S. Patent No. 6,493,878 B1 (the "'878 Patent"), (Exhibit A) entitled "Method and Apparatus for TV Broadcasting and Reception." The '878 Patent is related to the Kassatly patents at issue in the Orbsak I litigation. The '878 Patent relies upon the specification of those Kassatly patents, it uses very similar claim language as the Kassatly patents, and it claims priority back to those Kassatly patents (see Exhibit A)

IV. THE CONTROVERSY

10. Upon information and belief, Orbsak is the owner and/or exclusive licensee of the '878 Patent. On the date the '878 patent issued, counsel for Orbsak

informed General Instrument in-house counsel and General Instrument's outside litigation counsel of the issuance of the '878 Patent. In the course of settlement negotiations between Orbsak and General Instrument regarding a possible settlement of the Orbsak I litigation, Orbsak threatened to contact multiple system operators ("MSOs") who are customers of General Instrument's digital set top boxes regarding the '878 Patent, unless a settlement was reached by the parties.

11. An actual controversy of a justiciable nature exists between General Instrument and Orbsak regarding the validity of the '878 Patent, whether General Instrument's manufacture, sale, and marketing of digital set top boxes would infringe any rights granted by the '878 Patent, and whether the subsequent sale and use of digital set top boxes by General Instrument's customers would infringe any rights granted by the '878 Patent and/or the invalidity of the '878 patent. To resolve the legal and factual questions raised by Orbsak and to afford relief from the uncertainty and controversy which Defendant's assertion has precipitated, General Instrument is entitled to declaratory judgment of their rights under 28 U.S.C. §§2201-2202.

V. COUNT ONE: PATENT INVALIDITY

12. This count is for declaratory judgment of invalidity of the '878 Patent.

13. The allegations set forth in Paragraphs 1 through 11 are incorporated herein by reference.

14. The '878 Patent is invalid for failure to meet the conditions of patentability set forth in 35 U.S.C. §§102, 103, and/or for failure to comply with the provisions of 35 U.S.C. §112.

15. General Instrument is entitled to a declaration that the '878 Patent is invalid.

VI. COUNT TWO: NON-INFRINGEMENT

16. This count is for declaratory judgment of non-infringement of the '878 Patent.

17. The allegations set forth in Paragraphs 1 through 15 are incorporated herein by reference.

18. The manufacture, sale, offer for sale, importation, or use of General Instrument's digital set top boxes in the United States will not infringe, contributorily infringe, nor constitute inducement of infringement of the '878 Patent.

19. General Instrument is entitled to a declaration that the manufacture, use, sale, importation, or offer for sale of digital set top boxes in the United States does not directly infringe, nor contributorily infringe, nor induce infringement, of the '878 Patent.

VII. JURY DEMAND

20. General Instrument demands a trial by jury on all issues thus triable in this action.

VIII. RELIEF REQUESTED

WHEREFORE, Plaintiff, General Instrument, respectfully requests declaratory judgment and relief against defendant Orbsak, including:

(A) A declaration that United States Patent No. 6,493,878 B1 is invalid pursuant to 35 U.S.C. §102, §103, and/or §112.

(B) A declaration that General Instrument's manufacture, use, importation offer for sale and/or sale of digital set top boxes does not directly or contributorily infringe or induce infringement of any valid claim of U.S. Patent No. 6,493,878 B1.

(C) An injunction, preliminarily and permanently preventing Defendant, its officers, agents, servants, employees, representatives, successors, assigns, and any and all persons in active concert or participation with or under authority from Defendant, either separately or jointly, from asserting or enforcing United States Patent No. 6,493,878 B1 against General Instrument, its parent, related companies, successor or assigns, and/or purchasers or users of General Instrument products.

(D) An injunction, preliminarily and permanently preventing Defendant, its officers, agents, servants, employees, representatives, successors, assigns, and any and all persons in active concert or participation with or under authority from Defendant, either separately or jointly, be enjoined from interfering with, or threatening to interfere with, manufacture, use, sale or offer of sale of digital set top boxes by General Instrument, its parent, related companies, successor or assigns, in connection with its business.

(E) Judgment that this is an exceptional case and that Plaintiff be awarded its costs, expenses and reasonable attorney's fees pursuant to 35 U.S.C §285.

(F) Awarding such other and further relief as this Court may deem just and proper.

Dated this 10th day of February, 2003.

Respectfully submitted,



Paul H. Berghoff (I.D. No. 6180462)
Leif R. Sigmond, Jr. (I.D. No. 6204980)
George I. Lee (I.D. No. 6225430)
Alison J. Baldwin (I.D. No. 6271901)
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**Attorneys for Plaintiff,
GENERAL INSTRUMENT
CORPORATION**

**SEE CASE
FILE FOR
EXHIBITS**

JS 44
(Rev. 11/95)

(CAT)

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local Rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

General Instrument Corporation

JUDGE PLUNKETT

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF Montgomery
(EXCEPT IN U.S. PLAINTIFF CASES)

MAGISTRATE JUDGE DENLOW

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)
Paul H. Berghoff
McDonnell Boehnen Hulbert & Berghoff
300 South Wacker Drive; Suite 3200
Chicago, IL 60606

DEFENDANTS

Orbsak, L.L.C.

03C 0965

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

ATTORNEYS (IF KNOWN)
Joseph M. Vanek
Daar Fisher Kanaris & Vanek, P.C.
200 South Wacker Drive; Suite 3350
Chicago, IL 60606

FEB 11 2003

DOCKETED

II. BASIS OF JURISDICTION

(PLACE AN "X" IN ONE BOX ONLY)

- 1 U.S. Government Plaintiff
- 2 U.S. Government Defendant
- 3 Federal Question (U.S. Government Not a Party)
- 4 Diversity (Indicate Citizenship of Parties in item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (PLACE AN "X" IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

- | | | | | | |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| | PTF | DEF | | PTF | DEF |
| Citizen of This State | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business in This State | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business in Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

IV. ORIGIN

(PLACE AN "X" IN ONE BOX ONLY)

- 1 Original Proceeding
- 2 Removed from State Court
- 3 Remanded from Appellate Court
- 4 Reinstated or Reopened
- 5 Transferred from another district (specify)
- 6 Multidistrict Litigation
- 7 Appeal to District Judge from Magistrate Judgment

V. NATURE OF SUIT

(PLACE AN "X" IN ONE BOX ONLY)

CONTRACT	TORTS		FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 119 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 161 Medicare Act <input type="checkbox"/> 162 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 163 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 180 Stockholders' Suits <input type="checkbox"/> 189 Other Contract <input type="checkbox"/> 195 Contract Product Liability	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 360 Motor Vehicle <input type="checkbox"/> 365 Motor Vehicle Product Liability <input type="checkbox"/> 380 Other Personal Injury	PERSONAL INJURY <input type="checkbox"/> 392 Personal Injury - Med. Malpractice <input type="checkbox"/> 395 Personal Injury - Product Liability <input type="checkbox"/> 398 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 841 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 628 Copyrights <input type="checkbox"/> 630 Patent <input type="checkbox"/> 640 Trademark	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rate/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 610 Selective Service <input type="checkbox"/> 660 Securities/Commodities/Exchange <input type="checkbox"/> 675 Customer Challenge 12 USC 3410 <input type="checkbox"/> 691 Agricultural Acts <input type="checkbox"/> 692 Economic Stabilization Act <input type="checkbox"/> 693 Environmental Matters <input type="checkbox"/> 694 Energy Allocation Act <input type="checkbox"/> 695 Freedom of Information Act <input type="checkbox"/> 696 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 698 Constitutionality of State Statutes <input type="checkbox"/> 699 Other Statutory Actions
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to vacate Sentence <input type="checkbox"/> 530 Habeas Corpus - General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 750 Other Labor Litigation <input type="checkbox"/> 761 Empl. Ret. Inc Security Act	SOCIAL SECURITY <input type="checkbox"/> 661 HRA (1305f) <input type="checkbox"/> 662 Black Lung (923) <input type="checkbox"/> 663 DWC/DWW (405(g)) <input type="checkbox"/> 664 SSD Title XVI <input type="checkbox"/> 665 RS (405(g))	FEDERAL TAX SUITS <input type="checkbox"/> 670 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 671 IRS - Third Party 28 USC 7809

VI. CAUSE OF ACTION

(CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE BRIEF STATEMENT OF CAUSE. DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY.)

The Cause of Action arises under the federal patent statute, 35 United States Code Section 101, et seq.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$

CHECK YES only if demanded in complaint.

JURY DEMAND: YES NO

VIII. RELATED CASE(S) IF ANY (See instructions):

JUDGE Matthew Kennelly

DOCKET NUMBER 99 C 6684

DATE

February 10, 2003

SIGNATURE OF ATTORNEY OF RECORD

Paul H. Berghoff

FOR OFFICE USE ONLY

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NOTE: When the print dialogue box appears, be sure to uncheck the Annotations option.

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS**

Eastern Division

DOCKETED
FEB 11 2003



Double click on question mark for appearance form instructions

In the Matter of

General Instrument Corporation
v.
Orsak, L.L.C.

JUDGE PLUNKETT

Case Number:

03C MAGISTRATE JUDGE DENLOW
0965

DOCKETED
FEB 11 2003

APPEARANCES ARE HEREBY FILED BY THE UNDERSIGNED AS ATTORNEY(S) FOR:

General Instrument Corporation

(A)		(B)	
SIGNATURE: <i>Paul H. Berghoff</i>		SIGNATURE: <i>Leif R. Sigmond, Jr.</i>	
NAME Paul H. Berghoff		NAME Leif R. Sigmond, Jr.	
FIRM McDonnell Boehnen Hulbert & Berghoff		FIRM McDonnell Boehnen Hulbert & Berghoff	
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CITY/STATE/ZIP Chicago, IL 60606		CITY/STATE/ZIP Chicago, IL 60606	
TELEPHONE NUMBER (312) 913-0001		TELEPHONE NUMBER (312) 913-0001	
IDENTIFICATION NUMBER 6180462		IDENTIFICATION NUMBER 6204980	
MEMBER OF TRIAL BAR? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		MEMBER OF TRIAL BAR? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	
TRIAL ATTORNEY? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		TRIAL ATTORNEY? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
		DESIGNATED AS LOCAL COUNSEL? YES <input type="checkbox"/> NO <input type="checkbox"/>	
(C)		(D)	
SIGNATURE: <i>George I. Lee</i>		SIGNATURE: <i>Alison J. Baldwin</i>	
NAME George I. Lee		NAME Alison J. Baldwin	
FIRM McDonnell Boehnen Hulbert & Berghoff		FIRM McDonnell Boehnen Hulbert & Berghoff	
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TRIAL ATTORNEY? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		TRIAL ATTORNEY? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
DESIGNATED AS LOCAL COUNSEL? YES <input type="checkbox"/> NO <input type="checkbox"/>		DESIGNATED AS LOCAL COUNSEL? YES <input type="checkbox"/> NO <input type="checkbox"/>	

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