

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

FILED

AUG 18 2005

**MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT**

IP INNOVATION L.L.C., TECHNOLOGY)
LICENSING CORPORATION, AV)
TECHNOLOGIES LLC and NEW)
MEDIUM LLC)

Plaintiffs,)

v.)

MATSUSHITA ELECTRICAL)
INDUSTRIAL CO., LTD., AND)
PANASONIC CORPORATION OF)
NORTH AMERICA)

Defendants.)

No. 05 C 0902

Judge Suzanne B. Conlon
Magistrate Judge Michael T. Mason

JURY TRIAL DEMANDED

SECOND AMENDED COMPLAINT

Plaintiffs, IP Innovation L.L.C. ("IP Innovation"), Technology Licensing Corporation ("TLC"), AV Technologies LLC ("AV") and New Medium LLC ("New Medium") complain of defendants, Matsushita Electric Industrial Co., Ltd. And Panasonic Corporation of North America (collectively, "Matsushita"), as follows:

PARTIES, JURISDICTION AND VENUE

1. This is a claim for patent infringement arising under the patent laws of the United States, including 35 U.S.C. § 271. This Court has exclusive jurisdiction over the subject matter of this action under 28 U.S.C. § 1338(a).

2. IP Innovation, L.L.C. ("IP Innovation") is a Texas limited liability company, with its principal place of business at 500 Skokie Boulevard, Suite 585, Northbrook, Illinois 60062.

3. TLC is a Nevada corporation and has its principal place of business at 1000 E. William Street, Suite 204, Carson City, NV 89701.

4. New Medium is an Illinois limited liability company, with its principal place of business at 500 Skokie Boulevard, Suite 585, Northbrook, Illinois 60062.

5. AV Technologies is an Illinois limited liability company, with its principal place of business at 500 Skokie Boulevard, Suite 585, Northbrook, Illinois 60062.

6. IP Innovation and TLC together own the full and exclusive right, title and interest in and have standing to sue for infringement of United States Patent No. 5,424,780 C1, entitled "Apparatus and Method for Spatial Scan Modulation of a Video Display," which issued June 13, 1995 and, after a reexamination by the Patent and Trademark Office, was confirmed and found valid and patentable a second time on July 23, 2002 ("the '780 Patent", Exhibit A).

7. IP Innovation and TLC together own the full and exclusive right, title and interest in and have standing to sue for infringement of United States Patent No. 6,529,637 B1, entitled "Spatial Scan Replication Circuit," which issued March 4, 2003 ("the '637 Patent", Exhibit B).

8. New Medium is TLC's exclusive licensee and together they own all rights and interest in, and have standing to sue for infringement of United States Patent No. 6,469,741 B2, entitled "Apparatus and Method for Processing Television Signals," which issued October 22, 2002 ("the '741 Patent," Exhibit C).

9. New Medium is TLC's exclusive licensee and together they own all rights and interest in, and have standing to sue for infringement of United States Patent No.

5,946,049, entitled "Apparatus and Method for Synchronizing Multiple Asynchronous Signals," which issued August 31, 1999 ("the '049 Patent," Exhibit D).

10. New Medium is TLC's exclusive licensee and together they own all rights and interest in, and have standing to sue for infringement of United States Patent No. 6,141,057, entitled "Apparatus and Method for Maintaining Synchronization of Multiple Delayed Signals of Differing Types," which issued October 31, 2000 ("the '057 Patent," Exhibit E).

11. AV Technologies is TLC's exclusive licensee and together they own all rights and interest in, and have standing to sue for infringement of United States Patent No. 4,723,166, entitled "Noise Adjusted Recursive Filter," which issued February 2, 1988 ("the '166 Patent," Exhibit F).

12. AV Technologies is TLC's exclusive licensee and together they own all rights and interest in, and have standing to sue for infringement of United States Patent No. 4,803,547, entitled "Adaptive Comb Filtering System For Processing Video Signals," which issued February 7, 1989 ("the '547 Patent," Exhibit G).

13. AV Technologies is TLC's exclusive licensee and together they own all rights and interest in, and have standing to sue for infringement of United States Patent No. 4,573,070, entitled "Noise Reduction System For Video Signals," which issued February 25, 1986 ("the '070 Patent," Exhibit H).

14. Matsushita Electric Industrial Co., Ltd. is a Japanese corporation with a principal place of business at 1006 Oaza Kadoma, Kadoma, Osaka 571-8501, Japan.

15. Panasonic Corporation of North America is a Delaware corporation with a principal place of business at One Panasonic Way, Secaucus, New Jersey 07094.

Panasonic Corporation of North America has a registered agent in this judicial district, CT Corporation System, 208 S. La Salle St., Suite 814, Chicago Illinois 60604-1101.

16. Matsushita has sold or offered to sell products that infringe the '780, '637, '166, '547, '070, '741, '049 and '057 patents within this judicial district, and has advertised the sale of such products in this judicial district.

17. Matsushita is subject to personal jurisdiction in this judicial district.

18. Venue is proper in this district under 28 U.S.C. § 1400(b).

19. Plaintiffs have complied with 35 U.S.C. § 287 and provided defendants with actual notice of the '780, '637, '166, '547, '070, '741, '049 and '057 patents and defendants' infringement.

PATENT INFRINGEMENT

20. Matsushita has infringed the '780, '637, '166, '547, '070, '741, '049 and '057 patents at least by making, using, importing, selling or offering to sell, and by inducing, aiding and abetting, encouraging or contributing to others' use of, among other products, DVD Recorders such as the DMR-E30, televisions such as those using the Panasonic TU-HDS20 receiver, televisions, personal computers and DVDs using the MN82832 and MN673744 integrated circuits, DVD players such as the DVD-RP82S and DVD-RP97S and other consumer and professional broadcast products that fall within the scope of one or more claims of the '780, '637, '166, '547, '070, '741, '049 and '057 patents.

21. Matsushita's infringement has injured plaintiffs, and plaintiffs are entitled to recover damages adequate to compensate them for the infringement that has occurred, but in no event less than a reasonable royalty.

22. The infringement by Matsushita has injured and will continue to injure plaintiffs, unless and until such infringement is enjoined by this Court.

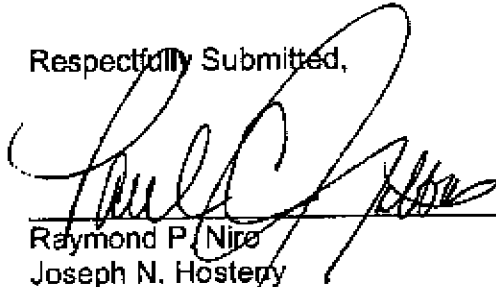
WHEREFORE, plaintiffs, IP Innovation L.L.C., Technology Licensing Corporation, AV Technologies LLC, and New Medium LLC, respectfully request judgment against Matsushita and its subsidiaries and affiliates as follows:

- A. An award of damages adequate to compensate plaintiffs for the infringement that has occurred, together with prejudgment interest from the date infringement of the '780, '637, '166, '547, '070, '741, '049 and '057 patents began;
- B. Any other damages permitted, including any for willful infringement, under 35 U.S.C. § 284;
- C. A finding that this case is exceptional and an award to plaintiffs of their attorneys' fees and expenses as provided by 35 U.S.C. § 285;
- D. An injunction permanently prohibiting Matsushita and all persons in active concert or participation with it, from further acts of infringement of the '780, '637, '166, '547, '741, '049 and '057 patents; and
- E. Such other and further relief as this Court or a jury may deem proper.

JURY DEMAND

Plaintiffs demand a trial by jury.

Respectfully Submitted,



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