IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

U.S. PHILIPS CORPORATION,)	
Plaintiff,)	
v.)	C.A. No.
EASTMAN KODAK COMPANY,)	
Defendant.)	

COMPLAINT FOR PATENT INFRINGEMENT AND DEMAND FOR JURY TRIAL

Nature of the Action

1. This is a civil action for infringement of a patent arising under the laws of the United States relating to patents, including 35 U.S.C. § 281.

Subject Matter Jurisdiction

2. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this civil action arises under the laws of the United States and because this civil action arises under an Act of Congress relating to patents.

Parties

- 3. Plaintiff U.S. Philips Corporation ("Philips") is a corporation organized and existing under the laws of Delaware, with a place of business at 1251 Avenue of the Americas, New York, New York 10020.
- 4. Upon information and belief, Defendant Eastman Kodak Company ("Kodak") is a corporation organized and existing under the laws of New Jersey, having an office and principal place of business at 343 State Street, Rochester, New York 14650.

Factual Background

- 5. Upon information and belief, the CCITT Study Group VIII and the Joint Photographic Experts Group (JPEG) of ISO/IEC JTC 1/SC 29/WG 10 prepared an international technical standard, CCITT Recommendation T.81, which is entitled "Terminal Equipment and Protocols for Telematic Services: Information Technology-Digital Compression and Coding of Continuous-Tone Still Images-Requirements and Guidelines." This standard is hereinafter referred to in this Complaint as "the JPEG Standard."
- 6. Upon information and belief, specific procedures for the encoding of images are set forth in the JPEG Standard.
- 7. Upon information and belief, Kodak has made, used, sold, offered for sale, and imported image encoding hardware and software products or services within the United States, including but not limited to digital cameras, film scanners, document scanners, and scanning services.
- 8. Upon information and belief, Kodak has made, used, sold, offered for sale, and imported image encoding hardware and software products or services within the United States that follow specific procedures for the encoding of images that are set forth in the JPEG Standard. These products or services are hereinafter referred to in this Complaint as "JPEG image encoding products or services."
- 9. Upon information and belief, the JPEG image encoding products or services of Kodak have been made, used, sold, offered for sale, and imported within the United States without any authority or license from Philips.

Personal Jurisdiction and Venue

- 10. Upon information and belief, Kodak voluntarily placed JPEG image encoding products or services into the stream of United States commerce, conscious that Delaware, including this judicial district, was the likely destination of a substantial quantity of such products or services.
- 11. Upon information and belief, a substantial part of the events giving rise to this claim for patent infringement occurred in Delaware and in this judicial district.

- 12. Upon information and belief, Kodak maintains or has maintained continuous and systematic contacts with Delaware and this judicial district.
- 13. Upon information and belief, Kodak is subject to personal jurisdiction in this district because it purposefully engaged in activities that gave rise to this claim for patent infringement and which were directed at residents of Delaware and this judicial district.
- 14. Upon information and belief, Kodak is subject to personal jurisdiction in this district because it has maintained continuous and systematic contacts with Delaware and this judicial district.
- 15. Upon information and belief, Kodak resides in this district for purposes of 28 U.S.C. §§ 1391(c) and 1400(b) because it is subject to personal jurisdiction in this district.
- 16. Upon information and belief, venue for this civil action in this judicial district is proper under 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b).

The Patent-in-Suit

- 17. United States Letters Patent No. 4,901,075 ("the '075 patent") issued on February 13, 1990, to Peter Vogel. A copy of the '075 patent, entitled "Method and Apparatus for Bit Rate Reduction," is attached hereto as Exhibit A.
 - 18. U.S. Philips Corporation is the owner by assignment of the '075 patent.

Claim for Infringement Against Kodak

- 19. Kodak had knowledge of the '075 patent before the filing of this lawsuit.
- 20. Kodak had notice of infringement of the '075 patent before the filing of this lawsuit.
- 21. Upon information and belief, Kodak has directly infringed, induced infringement of, and contributed to infringement of one or more claims of the '075 patent, both literally and under the doctrine of equivalents, by making, using, selling, offering for sale, and importing JPEG image encoding products or services within the United States.
- 22. Upon information and belief, the infringing JPEG image encoding hardware products of Kodak include but are not limited to digital cameras, film scanners, and document scanners such as the Kodak EasyShare Digital Camera-Model No. C300, Kodak EasyShare Digital Camera-Model

No. C310, Kodak EasyShare Zoom Digital Camera-Model No. C315, Kodak EasyShare Zoom Digital Camera-Model No. C330, Kodak EasyShare Zoom Digital Camera-Model No. C340, Kodak EasyShare Zoom Digital Camera-Model No. C360, Kodak EasyShare Zoom Digital Camera-Model No. C530, Kodak EasyShare Zoom Digital Camera-Model No. C663, Kodak EasyShare Zoom Digital Camera-Model No. CD33, Kodak EasyShare Zoom Digital Camera-Model No. CD40, Kodak EasyShare Zoom Digital Camera-Model No. CD43, Kodak EasyShare Zoom Digital Camera-Model No. CX4200, Kodak EasyShare Zoom Digital Camera-Model No. CX4210, Kodak EasyShare Zoom Digital Camera-Model No. CX4230, Kodak EasyShare Zoom Digital Camera-Model No. CX4300, Kodak EasyShare Zoom Digital Camera-Model No. CX4310, Kodak EasyShare Zoom Digital Camera-Model No. CX6200, Kodak EasyShare Zoom Digital Camera-Model No. CX6230, Kodak EasyShare Zoom Digital Camera-Model No. CX6330, Kodak EasyShare Zoom Digital Camera-Model No. CX6445, Kodak EasyShare Zoom Digital Camera-Model No. CX7220, Kodak EasyShare Digital Camera-Model No. CX7300, Kodak EasyShare Digital Camera-Model No. CX7310, Kodak EasyShare Zoom Digital Camera-Model No. CX7330, Kodak EasyShare Zoom Digital Camera-Model No. CX7430, Kodak EasyShare Zoom Digital Camera-Model No. CX7525, Kodak EasyShare Zoom Digital Camera-Model No. CX7530, Kodak EasyShare Zoom Digital Camera-Model No. DX3215, Kodak EasyShare Zoom Digital Camera-Model No. DX3500, Kodak EasyShare Zoom Digital Camera-Model No. DX3600, Kodak EasyShare Zoom Digital Camera-Model No. DX3700, Kodak EasyShare Zoom Digital Camera-Model No. DX3900, Kodak EasyShare Zoom Digital Camera-Model No. DX4330, Kodak EasyShare Zoom Digital Camera-Model No. DX4530, Kodak EasyShare Zoom Digital Camera-Model No. DX4900, Kodak EasyShare Zoom Digital Camera-Model No. DX6340, Kodak EasyShare Zoom Digital Camera-Model No. DX6440, Kodak EasyShare Zoom Digital Camera-Model No. DX6490, Kodak EasyShare Zoom Digital Camera-Model No. DX7440, Kodak EasyShare Zoom Digital Camera-Model No. DX7590, Kodak EasyShare Zoom Digital Camera-Model No. DX7630, Kodak EasyShare Zoom Digital Camera-Model No. LS420, Kodak EasyShare Zoom Digital Camera-Model No. LS443, Kodak EasyShare Zoom Digital Camera-Model No.

- LS633, Kodak EasyShare Zoom Digital Camera-Model No. LS743, Kodak EasyShare Zoom Digital Camera-Model No. LS753, Kodak EasyShare Zoom Digital Camera-Model No. LS755, Kodak EasyShare Zoom Digital Camera-Model No. P850, Kodak EasyShare Zoom Digital Camera-Model No. P880, Kodak EasyShare Zoom Digital Camera-Model No. V530, Kodak EasyShare Zoom Digital Camera-Model No. V550, Kodak EasyShare Zoom Digital Camera-Model No. V570, Kodak EasyShare Zoom Digital Camera-Model No. Z650, Kodak EasyShare Zoom Digital Camera-Model No. Z700, Kodak EasyShare Zoom Digital Camera-Model No. Z700, Kodak EasyShare Zoom Digital Camera-Model No. Z740, Kodak EasyShare Zoom Digital Camera-Model No. Z760, Kodak Ea
- 23. Upon information and belief, the infringing JPEG image encoding software products of Kodak include but are not limited to Kodak EasyShare Software, Kodak i7300 Scanner Application Software, and Kodak Capture Software.
- 24. Upon information and belief, the infringing JPEG image encoding services of Kodak include but are not limited to JPEG encoding scanning services, such as the Kodak Picture CD service.
- 25. Upon information and belief, the infringement by Kodak has been deliberate and willful.

Prayer for Relief

WHEREFORE, Philips respectfully requests that judgment be entered:

- A. declaring that the Defendant has infringed the '075 patent;
- B. declaring that the Defendant's infringement of the '075 patent has been deliberate and willful;
- C. preliminarily and permanently enjoining the Defendant, its officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them, from making, using, selling, offering for sale, and importing within the United States JPEG image encoding hardware and software products and services, including the products made by such products and services;
- D. compensating Philips for all damages caused by the Defendant's infringement of the '075 patent;
- E. enhancing Philips' damages up to three times their amount pursuant to 35 U.S.C. § 284;
- F. granting Philips pre- and post-judgment interest on its damages, together with all costs and expenses;
 - G. granting Philips its reasonable attorney fees pursuant to 35 U.S.C. § 285; and
 - I. awarding such other relief as this Court may deem just and proper.

Demand For Jury Trial

Plaintiff respectfully requests a trial by jury on all claims so triable.

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