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Paid SE 14

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AUG 26 2011
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

E-Filing

ADR

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

CV11-04224 DMR

RIMAGE CORPORATION,

Plaintiff,

v.

INNOVATIVE AUTOMATION LLC,

Defendant.

Case No. _____

COMPLAINT FOR DECLARATORY JUDGMENT

Demand for Jury Trial

BY FAX

Plaintiff Rimage Corporation ("Rimage") states its complaint against defendant Innovative Automation LLC ("Defendant"), and alleges as follows:

NATURE OF THE ACTION

1. This is an action for declaratory judgment brought by Rimage pursuant to 28 U.S.C. §§ 2201–02, and the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, seeking a declaration that Rimage does *not* infringe U.S. Patent No. 7,174,362 ("the '362 Patent") [attached hereto as Exhibit A], and that the claims of the '362 Patent are invalid.

PARTIES

2. Rimage is a corporation organized and existing under the laws of the State of Minnesota, with its principal place of business at 7725 Washington Avenue South, Minneapolis, Minnesota 55439.

3. On information and belief, Defendant is a limited liability company organized and existing under the laws of the State of California, which claims to have its principal place of business at 606 North First Street, San Jose, California 95112.

JURISDICTION AND VENUE

4. Defendant purports to be the owner of all rights, title, and interests in and to the '362 Patent. Defendant has raised a reasonable apprehension of the filing of a lawsuit against Rimage resulting in the establishment of a case or controversy between the parties in relation to the '362 Patent, as set forth below.

5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338, 1367, 2201, and 2202, and the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

6. This Court has personal jurisdiction over Defendant by virtue of its: (i) incorporation under the laws of the State of California, (ii) maintaining its principal place of business in this judicial District, and (iii) otherwise purposefully availing itself of the privileges and benefits of the laws of the State of California. Defendant has also sent, through its attorneys, written communications to at least one of Rimage's customers or potential customers in California alleging infringement of the '362 Patent at least in part because of the customer's use of Rimage products.

7. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391 and 1400.

BACKGROUND

8. Rimage is based in Minneapolis, Minnesota and has additional offices in Germany and Japan. Rimage is in the field of digital publishing, duplication, and printing solutions.

9. Defendant purports to be the owner of all rights, title, and interests in and to the '362 Patent. On May 17 and June 12, 2011, Defendant's legal counsel sent separate letters to Isomedia, LLC ("Isomedia") [attached hereto collectively as Exhibit B], a client of Rimage, which letters read together allege that the "methods used by Isomedia to duplicate digital data may be covered by one or more claims" of the'362 patent.

10. The letters request that Isomedia take a license under the '362 Patent and assert that Isomedia is infringing the '362 Patent based, at least in part, on Isomedia's use of a Rimage duplication machine.

11. Rimage has not infringed and does not infringe, either directly or indirectly, any valid and enforceable claim of the '362 Patent.

12. A substantial controversy exists between Rimage and Defendant of sufficient immediacy and reality to trigger the jurisdictional requirements of the Declaratory Judgment Act.

FIRST CLAIM FOR RELIEF

Declaratory Judgment of No Infringement of Any Valid Claim of the '362 Patent

13. Rimage restates, realleges, and incorporates by reference the allegations contained in paragraphs 1 through 12 of this Complaint as if fully set forth herein.

14. Rimage has not infringed, does not infringe, has not induced others to infringe, and does not contribute to the infringement, directly or indirectly, of any valid claim of the '362 Patent.

15. The acts described in the foregoing paragraphs create a substantial controversy of sufficient immediacy and reality to warrant a finding of declaratory judgment of no infringement of any valid claim of the '362 Patent.

SECOND CLAIM FOR RELIEF

Declaratory Judgment of Invalidity

of the Claims of the '362 Patent

16. Rimage restates, realleges, and incorporates by reference the allegations contained in paragraphs 1 through 15 of this Complaint as if fully set forth herein.

17. The claims of the '362 Patent are invalid for failure to comply with the conditions of patentability set forth in 35 U.S.C. §§ 101, 102, 103, and/or 112.

18. The acts described in the foregoing paragraphs create a substantial controversy of sufficient immediacy and reality to warrant a finding of declaratory judgment of invalidity of each claim of the '362 Patent.

PRAYER FOR RELIEF

WHEREFORE, Rimage respectfully requests that judgment be entered in its favor and prays that the Court grant the following relief:

1. A declaration that Rimage has not infringed, either directly or indirectly, any valid and enforceable claim of the '362 Patent;

2. A declaration that the claims of the '362 Patent are invalid;

3. An Order from this Court preliminary and permanently enjoining Defendant, its agents and servants, and any and all parties acting in concert with any of them, from alleging, either directly or indirectly, that Rimage infringes any valid claim of the '362 Patent;

4. An order declaring that Rimage is a prevailing party and that this is an exceptional case, awarding Rimage its costs, expenses, disbursements, and reasonable attorney fees under 35 U.S.C. § 285 and all other applicable statutes, rules, and common law; and

5. For such other and further relief as the Court may deem just and proper.

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JURY DEMAND

Rimage hereby demands a trial by jury on all issues triable of right to a jury under Rule 38 of the Federal Rules of Civil Procedure.

DATED: August 26, 2011

Sterling A. Brennan
Tyson K. Hottinger
Charles J. Veverka
WORKMAN | NYDEGGER A Professional Corporation

Eric L. Maschoff
Rachel Jacques
MASCHOFF GILMORE & ISRAELSEN

By _____
Tyson K. Hottinger
Attorneys for Plaintiff RIMAGE CORPORATION

3461025-1

Exhibit A

US007174362B1

(12) **United States Patent**
Lee

(10) **Patent No.: US 7,174,362 B1**
(45) **Date of Patent: Feb. 6, 2007**

(54) **METHOD AND SYSTEM FOR SUPPLYING PRODUCTS FROM PRE-STORED DIGITAL DATA IN RESPONSE TO DEMANDS TRANSMITTED VIA COMPUTER NETWORK**

(76) Inventor: **Sungil Lee**, 3219 Cantada Ct., San Jose, CA (US) 95112

(*) Notice: Subject to any disclaimer, the term of this patent is extended or adjusted under 35 U.S.C. 154(b) by 1447 days.

(21) Appl. No.: **09/718,286**

(22) Filed: **Nov. 21, 2000**

(51) **Int. Cl.**
G06F 13/00 (2006.01)

(52) **U.S. Cl.** **709/203**; 709/217; 709/219

(58) **Field of Classification Search** 709/203, 709/217, 218, 219, 226, 227; 369/84, 85
See application file for complete search history.

(56) **References Cited**

U.S. PATENT DOCUMENTS

6,141,298	A *	10/2000	Miller	369/30.33
6,208,612	B1 *	3/2001	Miller	369/30.19
6,499,106	B1 *	12/2002	Yaegashi et al.	713/193
2002/0046215	A1 *	4/2002	Petrocelli	707/200

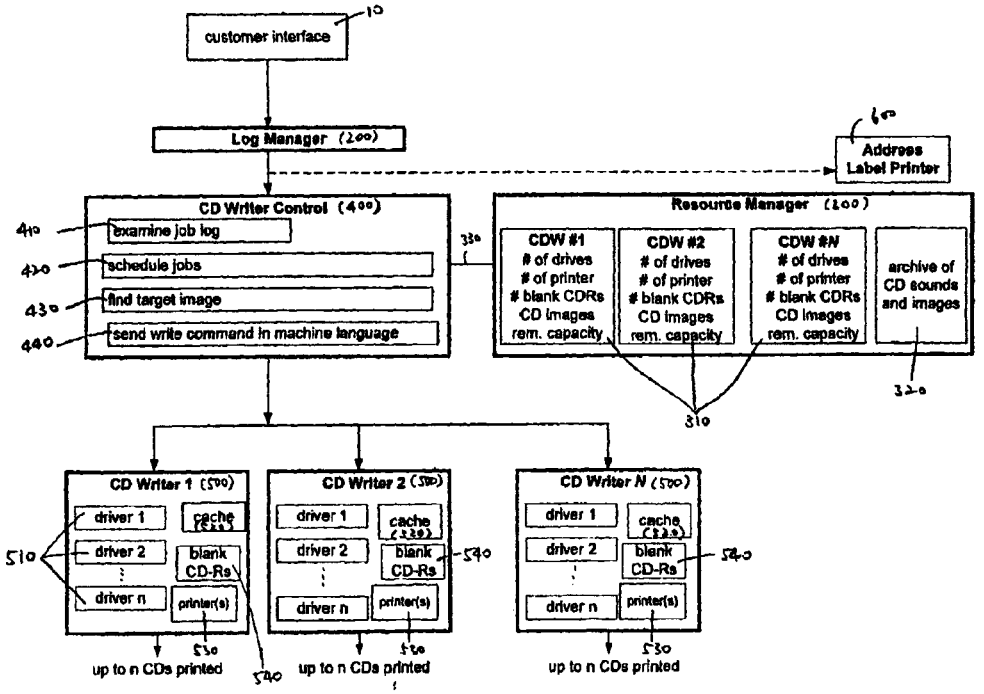
* cited by examiner

Primary Examiner—Moustafa M. Meky
(74) *Attorney, Agent, or Firm*—Jeffrey Sonnabend; SonnabendLaw

(57) **ABSTRACT**

The present invention relates to a digital data duplication system that utilizes one or more computer networks to automate the process from order-taking to delivery, eliminating the need for human supervision. Customers enter requests for a given number of machine-readable articles containing digital data, typically compact disks. The requests are transferred to a website, which sends to a server electronic mails containing the details of the requests. Upon receiving an electronic mail, the server directs a printing device to produce mailing labels for shipment. The server has an internal archive of all data it uses to convert blank CD-Rs into the requested CDs, and is connected to a series of CD-R writing machines. The server schedules each request, downloads necessary data onto the CD-R writing machine that is assigned a particular request, and sends a write command. The CD-R writing machine subsequently transfers the data in its cache onto the pre-loaded CD-Rs. After the data transfer is complete, the CDs embodying the requested information are automatically placed in a bin for shipment.

8 Claims, 4 Drawing Sheets



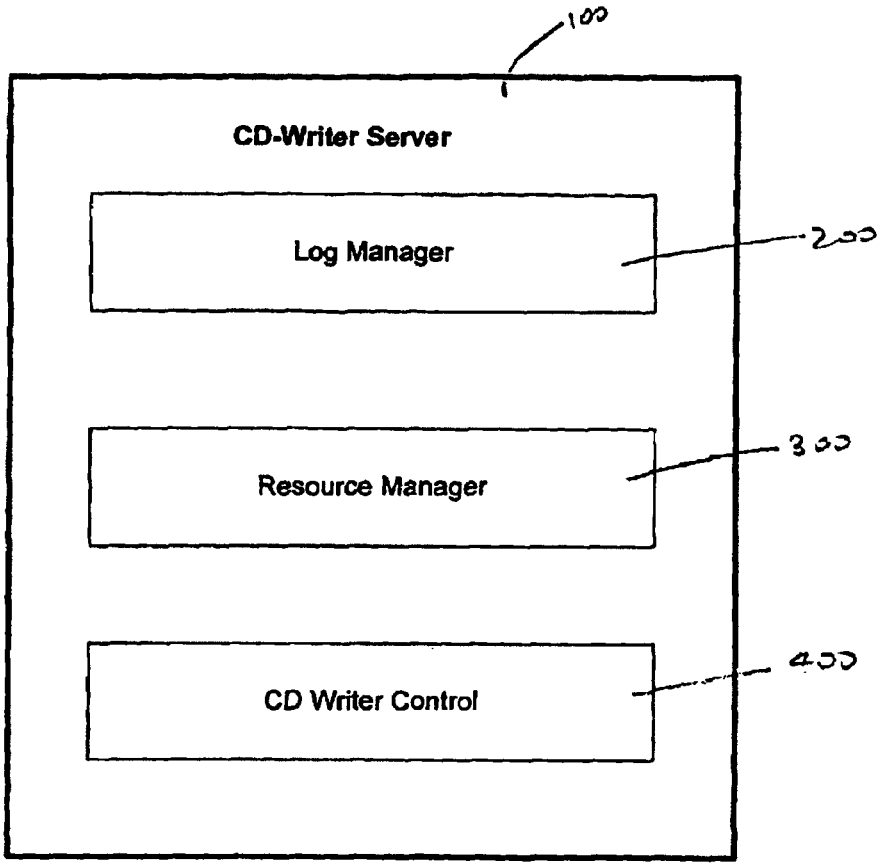

100
CD-Writer Server
Log Manager
200
Resource Manager
300
CD Writer Control
400

FIG. 1

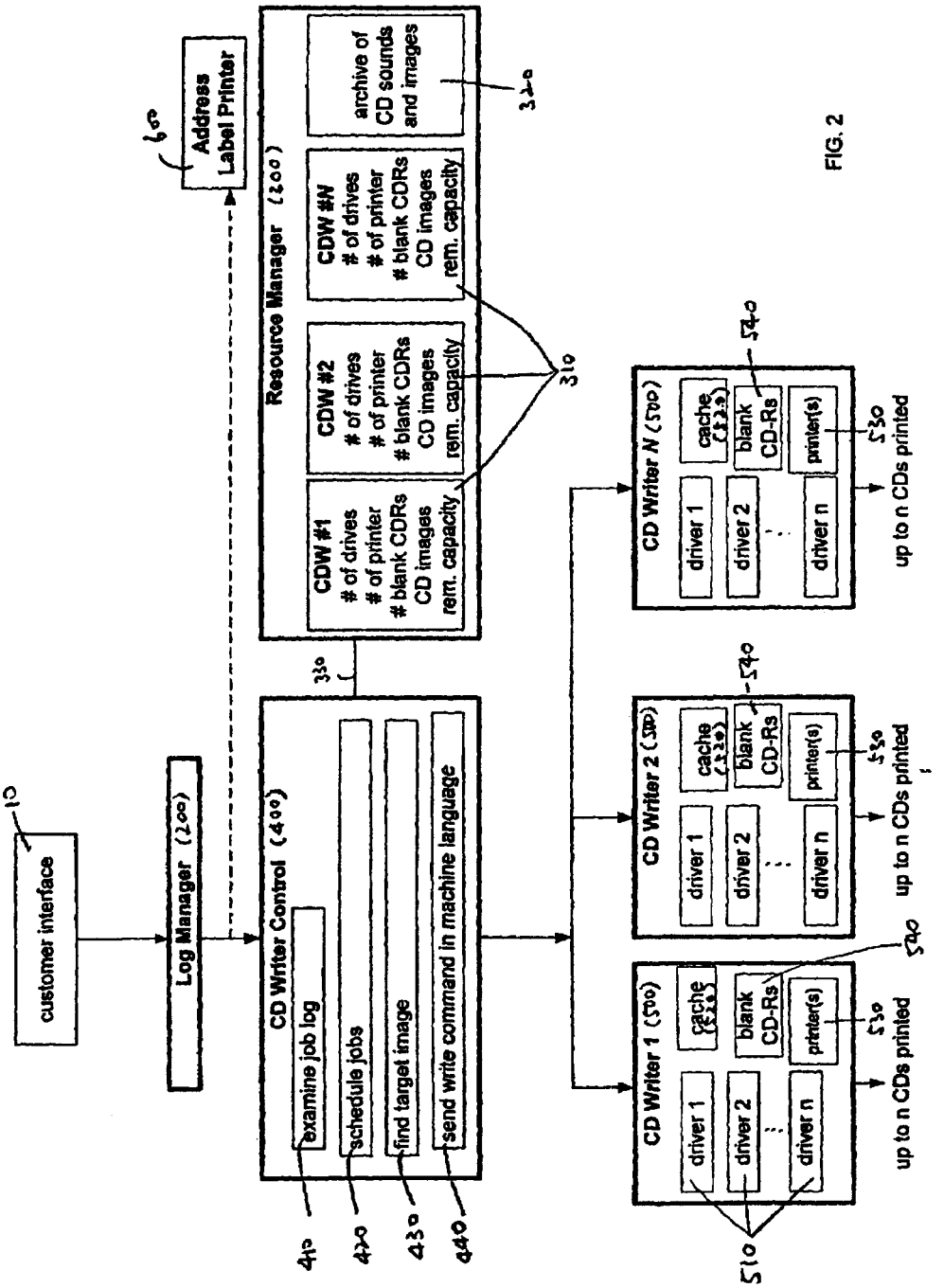

customer interface
Log Manager (200)
CD Writer Control (400)
examine job log
schedule jobs
find target image
send write command in machine language
Resource Manager (200)
CDW #1 # of drives # of printer # blank CDRs CD images rem. capacity
CDW #2 # of drives # of printer # blank CDRs CD images rem. capacity
CDW #N # of drives # of printer # blank CDRs CD images rem. capacity
archive of CD sounds and images
Address Label Printer
CD Writer 1 (500)
CD Writer 2 (500)
CD Writer N (500)
driver 1
driver 2
driver n
cache
blank CD-Rs
printer(s)
up to n CDs printed

FIG. 2

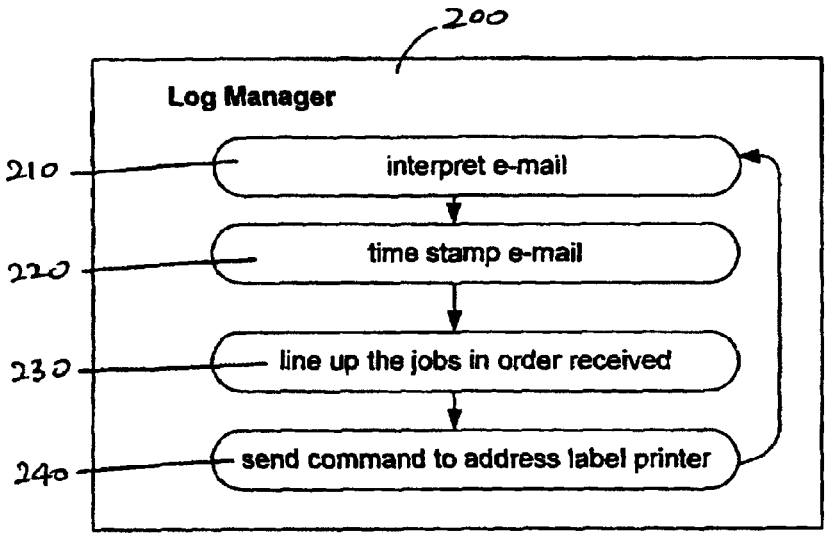

200
Log Manager
210
interpret e-mail
220
time stamp e-mail
230
line up the jobs in order received
240
send command to address label printer

FIG. 3

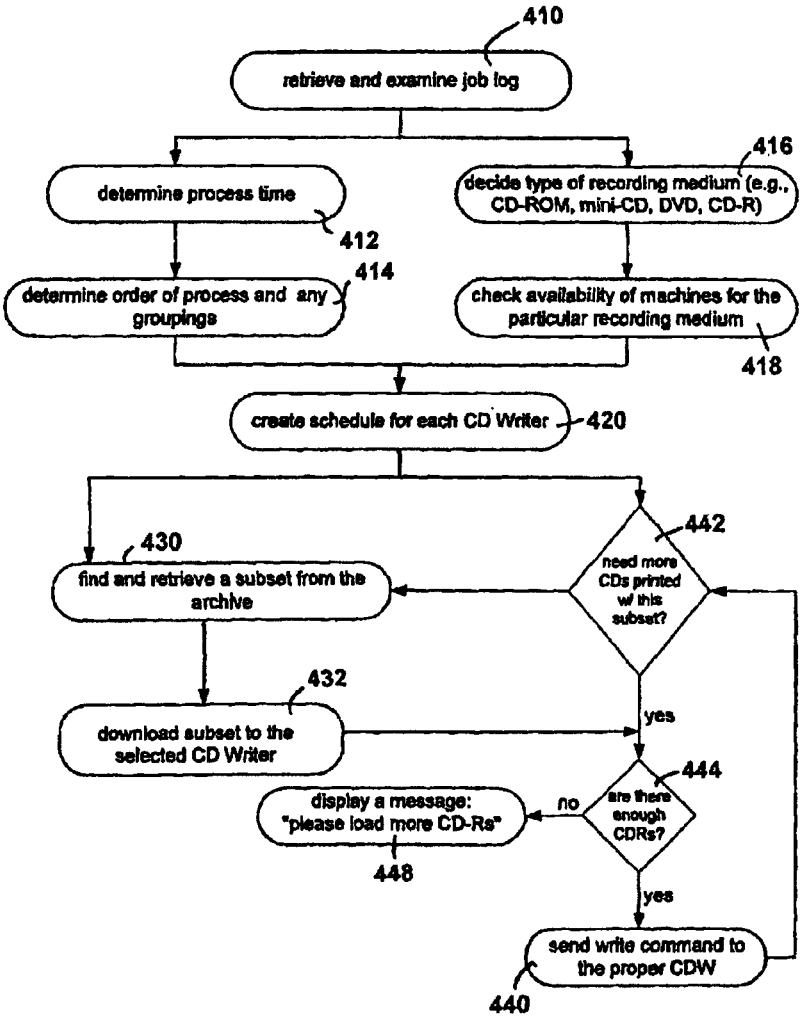

410
retrieve and examine job log
determine process time
412
416
decide type of recording medium (e.g., CD-ROM, mini-CD, DVD, CD-R)
414
determine order of process and any groupings
check availability of machines for the particular recording medium
418
create schedule for each CD Writer
420
430
find and retrieve a subset from the archive
442
need more CDs printed w/ this subset?
yes
432
download subset to the selected CD Writer
444
are there enough CDRs?
no
display a message: "please load more CD-Rs"
448
yes
send write command to the proper CDW
440

FIG. 4

METHOD AND SYSTEM FOR SUPPLYING PRODUCTS FROM PRE-STORED DIGITAL DATA IN RESPONSE TO DEMANDS TRANSMITTED VIA COMPUTER NETWORK

BACKGROUND OF THE INVENTION

1. Technical Field

The present invention relates to a digital data duplication system that utilizes one or more computer networks to automate the process from order-taking to product delivery. More specifically, the invention permits users of CD duplication services to directly place requests into a server, which then schedules production, allocates resources, executes duplication, and sorts the products for shipment.

2. Description of Related Art

Before the advent of recordable digital compact disks (hereinafter "CD-Rs"), the transfer of data onto compact digital disks was a costly procedure, economically feasible only when manufacturing a large number of copies. Users whose applications required relatively few copies or required frequent data updates could not reap the benefits of this compact disk duplication technology, even though low-cost disk-readers were readily available.

The advent of CD-R was intended to allow users to record their own disks and thereby achieve significant savings. Unlike a common compact disk that has been pressed by a mold, a CD-R typically has a dye layer that is etched by a laser contained in the CD-R disk drive. Once etched, the "burned" CD-R disk is unalterable.

Several practical problems have prevented CD-R users from attaining maximal efficiency in the copy process, especially when attempting to make multiple disk copies in a short amount of time. One of the problems that typically arise in a volume copying process using CD-R writers is the necessity for direct human supervision. A person has to prepare CD-R disks for copying, remove the disks from the CD-R writer once copying is complete, and then prepare the disks for inspection to ensure no defective CD-R disks are retained in the completed set of copies. Aside from the tedium involved that may increase errors, requiring human attention in this process adds a significant labor cost that is added to the end-user price.

One solution to the human supervision problem is a programmable, automatic compact disc duplication system. That system, which includes a copy unit, a host computer and a computer software that provides a user interface, is further discussed in U.S. Pat. No. 6,141,298, incorporated herein by reference. While the system in the above patent eliminates some of the manual steps that creates inefficiency, it still leaves many steps to be handled by operators.

SUMMARY

The present invention relates to a method and system of taking customer requests and writing the requested digital data onto various digital recording media, such as CD-ROMs, CDs, mini-CDs, or DVDs. Using this method, a customer can request any quantity of a specific CD, mini-CD, or DVD through an electronic commerce transaction system or a website and have a server automatically process the request so that it is ready for delivery. Upon order entry, the customer interface website first sends an electronic mail (e-mail) to a CD Writer Server. The e-mail triggers the CD Writer Server to update a log of requests and send signals to one or more printing devices that prepare address labels for delivery. Once the log is updated, the CD Writer Server schedules the requests based on estimated process time, availability of the appropriate output device, suitability of particular devices for handling a particular request, among other characteristics. Information on process time is obtained from an internal archive of the digital data used to produce the ordered CDs. Likewise, the information concerning the availability of each output device in the system is found in internal resource files. When scheduling is complete, the CD Writer Server converts the e-mail requests into machine language and sends write commands to designated output devices.

One important object of the present invention is to cost-effectively duplicate CDs using CD writers in response to requests received from remote customers. The present invention removes the inefficiency associated with human supervision, and eliminates the need for inventory.

BRIEF DESCRIPTION OF THE DRAWINGS

FIG. **1** is a schematic depiction of the three modules comprising a CD Writer Server.

FIG. **2** is a block diagram depicting the process flow from order receipt to production.

FIG. **3** is a schematic depiction of the functions of the Log Manager.

FIG. **4** is a schematic depiction of the functions of CD Writer Control.

DETAILED DESCRIPTION

The present method and system relate to conducting a business that supplies any type of written or printed material, such as invitations, books, cards, and similar materials that can be mechanically produced from an archive of digital information. In one embodiment, the present invention is adapted to produce various digital recording media, such as CD-ROMs, CDs, mini-CDs, and DVDs (hereinafter collectively referred to as CDs). The invention is implemented through a computer system herein referred to as CD Writer Server. CD Writer Server **100** processes customer requests by using three modules that work together: Log Manager **200**, Resource Manager **300**, and CD Writer Control **400** (see FIG. **1**). A "module," as used herein, refers to the functionality and not the configuration of components.

The CD Writer Server **100** typically resides on an e-mail server because the CD Writer Server commonly communicates with the customer interface **10** via e-mails. The order fulfillment process is triggered when a customer enters a request through a customer interface **10**. A customer interface includes but is not limited to a website, a web server, an electronic commerce transaction system, a customized start page, or an e-mail subsystem. At the interface, the customer is prompted to provide 1) the content(s) he wants duplicated, for example identifiers of songs, movies, or software, 2) the desired quantity, 3) personal information such as the name, address, and phone number of the customer, 4) the desired shipping method, 5) the due date, and 6) a payment or a method of payment, such as a credit card number, among other information. After the request has been entered and the CD Writer Server **100** has scheduled the request, the customer may be able to see an estimated delivery date at the interface **10**.

The present system manages payment at the customer interface **10**, either through an e-commerce transaction system involving a credit card number, or through an account number to which charges can be made. Managing payment

through an e-commerce system significantly reduces the amount of human supervision that is required.

As shown in FIG. **2**, the CD Writer Server **100** module that first receives an e-mail order from the customer interface is Log Manager **200**. FIG. **3** shows that upon receiving an e-mail, Log Manager **200** first interprets it **210** and extracts certain information, including but not limited to the mailing address. Then, Log Manager **200** time-stamps each incoming e-mail **220** and lines it up in the order of receipt **230**, creating a log that CD Writer Control **400** can eventually retrieve and process. In addition, Log Manager **200** sends the extracted mailing address information **240** to an address label printer **600**. The printer **600** is optionally attached to the CD Writer Server **100**. Log Manager **200** repeats **250** the process with each incoming e-mail request, updating the log with each request.

After Log Manager updates the log, CD Writer Control **400** retrieves the log and examines it **410** in conjunction with the information stored in Resource Manager to schedule the production of CDs. The information CD Writer Control retrieves from Log Manager **200** pertains to the specifics of a request, such as the order quantity and the requested content. In contrast, the information stored in Resource Manager **300** pertains to hardware configuration and digital data that represent contents that can be transferred to a blank medium. As FIG. **2** shows, Resource Manager maintains two types of files: a set of resource files **310**, one file for each of the output devices controlled by CD Writer Server, and an archive **320** of all the sounds, images, and characters used to execute the duplication requests.

In one embodiment, there are as many resource files **310** in Resource Manager **300** as there are output devices (hereinafter CD Writers) **500**. For example, Resource Manager **300** shown in FIG. **2** stores N resource files **310** because there are N CD Writers **500**. Each resource file contains the name and the IP address of each CD Writer **500**, the number of drives and printers in each of those machines, and the number of blank CD-Rs remaining in each machine, among other information. Moreover, the resource file **310** keeps track of which data from its archive **320** has been copied to the internal cache **520** of each CD Writer **500** and how much cache space remains in each machine. The latter information becomes important when some data needs to be purged in order to download new data. As FIG. **2** shows, Resource Manager **300** and CD Writer Control **400** maintain close communication **330** so that every time CD Writer Control **400** sends a write command **440** to one of the CD Writers **500**, Resource Manager **300** can update the resource file **310** for that CD Writer.

As mentioned above, Resource Manager **300** also stores an archive **320** of all the sounds, images, and characters used to produce the requested CDs. The archive can be internally indexed by part numbers, each part number being associated with a path name. In one, the hard drive of Resource Manager **300** was designed to hold at least 1,000 CD contents along with corresponding graphics, which are to be physically printed on the CDs (the number of contents the archive can hold depends on the amount of data that each content corresponds to). In order to change or update the contents of the archive, an operator would have to delete some of the existing data and download new data from a network or a digital storage medium.

CD Writer Control **400** retrieves information from both Log Manager **200** and Resource Manager **300** to schedule production for each CD Writer **500** connected to the system. In order to optimize production, CD Writer Control **400** must first calculate the process time for each order **412**. This

calculation is performed by first reading the title of the requested songs or movies from the order log and looking up the size of those songs or movies in the Resource Manager archive. Then, CD Writer Control **400** can schedule the requests according to whatever criteria that best suits the business (i.e., it can be programmed). For example, it can schedule the duplication jobs in the order that the requests were received, to ensure that between two requests with approximately equal process times, the request that was received first will be processed first. Alternatively, it can prioritize the request with a closer due date or an order marked "high priority." Furthermore, if there are multiple orders requesting the same content, CD Writer Control **400** can group those orders so that they can be produced together **414** (but the mailing address labels would be different for each order). Other factors may only be taken into account in the scheduling algorithm.

Since there are different types of CD Writers **500** (for example, CD Writers for DVDs and CD Writers for mini-CDs) with different cache **520** contents and varying numbers of drives **510**, scheduling involves careful selection of a CD Writer for each job. CD Writer Control **400** selects (**416**, **418**) a CD Writer **500** based on the hardware configuration data stored in Resource Manager's resource files **310**. CD Writer Control **400** would send a job to the next available CD Writer **500** of the appropriate type that already has the requested content in its cache **520**. For optimal production, as many machines as possible would be processing orders concurrently.

Once scheduling is complete, CD Writer Control tells the designated CD Writer to begin the duplication process by sending a "write" command in the appropriate machine language **440**. However, before sending the "write" command, CD Writer Control **400** must check to make sure there are enough blank CD-Rs **540** loaded in the particular machine, as shown in FIG. **4**. CD-R, as used herein, refers to any kind of medium onto which data can be fixed, printed, embodied, or stored, and from which the information fixed, printed, embodied, or stored therein can be perceived, reproduced, used, or otherwise communicated, either directly or indirectly with the aid of a device. Each CD Writer can be designed to hold as many number of CD-Rs as is practical. If there is an insufficient number of blank CD-Rs remaining, CD Writer Control notifies the operator with a short message **448**. If there are enough blank CD-Rs, CD Writer Control will send the write command for the proper number of CDs **440**. Note that the maximum number of CDs that can be written and printed with one "write" command is equal to the number of drives in the CD Writer that is processing the order (shown as n in FIG. **4**). Thus, CD Writer Control repeatedly sends **446** a "write" command to the designated machine until the requested number of CDs have been produced. When a request is fulfilled, CD Writer Control **400** proceeds to the next request scheduled for the particular CD Writer.

In the event that no CD Writer of the appropriate type contains the requested data in its cache, CD Writer Control must check whether there is enough cache space left in the machine and download **432** the necessary data onto that machine from the Resource Manager internal archive. Only after downloading is complete can the CD Writer Control send its "write" command, which directs the CD Writers to transfer a specific subset of data from their cache to the blank CD-Rs. In one embodiment, each CD Writer is designed to hold up to about 200 CD images and printer graphics (depending on the size of the images).

Writing a CD entails not only transferring digital data from the cache **520** to the blank CD-Rs **540**, but also printing certain graphics on the surface of the mediums. Thus, each CD Writer must be equipped with at least one printing device **530**.

While the present invention is illustrated with particular embodiments, it is not intended that the scope of the invention be limited to the specific and preferred embodiments illustrated and described.

I claim:

1. A computer-implemented method of digital data duplication comprising:

taking requests at one or more user interfaces;

transmitting said requests through a network to a computer;

assigning each of said requests to one of a plurality of output devices; and

executing the duplication process,

wherein said computer comprises:

at least one first module configured to create a task log based on incoming requests;

at least one second module configured to store all data necessary for executing said duplication process;

at least one third module configured to create a subset of said data stored in said second module, further configured to download said subset to one of said output devices, and further configured to command said output device to transfer said subset onto blank media; and

a connection through which said second module communicates with said first module and said third module.

2. The method of claim **1**, wherein said data stored in said second module comprises:

an expandable indexed archive of digital data, said data representing contents available for request by customers; and

at least one resource file for each of said output devices in communication with said computer.

3. The method of claim **2**, wherein said data in each said resource file comprise:

name and type of said output devices;

network address of said output device;

number of drives in said output device;

availability of said output device;

number of blank recording mediums pre-loaded in said output device;

index of digital data that has been downloaded onto said output device; and

hard drive capacity remaining in said output device.

4. The method of claim **1**, wherein said first module is configured to send at least one signal to at least one printing device to create mailing address labels for each of said requests.

5. The method of claim **1**, wherein assigning said requests comprises:

grouping together requests for the same content;

directing said requests to the most immediately available output device that is capable of making the requested duplication onto the requested type of recording medium;

tracking the number of recording mediums remaining in each output device;

notifying an operator if more recording mediums need to be loaded;

finding the digital data that corresponds to the requested content;

sending a write command to said output device in the format that said output device understands;

waiting for the output device to perform the requested number of duplications;

repeating the above steps each time a new request is entered.

6. The method of claim **5**, wherein finding the digital data comprises:

checking the cache of said output devices for data representing the requested content(s);

deleting enough pre-existing data in said cache to make room for said requested content; and

downloading said requested content from said computer onto said cache of said output device.

7. The method of claim **1**, wherein each module that comprises said computer is responsive to electronic mail commands.

8. A system for duplication of data onto digital recording mediums, the system comprising:

a customer interface; and

a communication network connecting said customer interface to a server that schedules and process duplication;

wherein said server comprises:

first module for creating a log of customer requests;

second module for storing the data to be duplicated;

third module for scheduling the duplication of each request and directing each request to one of a plurality of output devices;

at least one printing device for producing mailing labels for each request; and

at least one output device for transferring the data requested by customers from an internal data storage onto digital recording mediums.

* * * * *

Exhibit B

GUTRIDE SAFIER LLP Attorneys at Law

VIA ELECTRONIC MAIL AND FAX June 12, 2011

Howard Xu
Isomedia LLC
42660 Christy Street
Fremont, California 94538
howard@isomediainc.com
fax: (510) 668-1322

Re: Infringement of U.S. Patent No. 7,174,362 (Sungil Lee)

Dear Mr. Xu,

I write in response to your letter of May 20, 2011, in which you state that "Isomedia does not have any equipment described by the ['362] patent." In particular, your letter states that Isomedia's duplication services are performed by manually operated tower drives manufactured in the 1990s.

We believe that your letter is inaccurate. As I explained to you during our telephone conversation last Wednesday, a private investigator called Isomedia on May 17, 2011 to inquire about its duplication equipment. A customer service representative told the investigator that Isomedia uses Primera and Rimage duplication machines, and that these machines are networked. When I told you about this information on Wednesday, you denied that Isomedia uses any Primera or Rimage Machines.

Innovative Automation would like to avoid litigation, and would prefer to reach a reasonable license agreement with Isomedia.

I hope that you will reconsider the possibility of entering into licensing discussions. Please let me know by Friday, June 17 whether Isomedia is willing to meet with us to negotiate a license.

Best regards,

Todd Kennedy

GUTRIDE SAFIER LLP Attorneys at Law

May 17, 2011

650-596-1915

Howard Xu
Isomedia LLC
42660 Christy Street
Fremont, California 94538

VIA FEDEX

Re: Infringement of U.S. Patent No. 7,174,362 (Sungil Lee)

Dear Mr. Xu,

We represent Innovative Automation LLC, owner of United States Patent No. 7,174,362. The '362 Patent describes a groundbreaking invention in the field of digital data duplication. The Patent's specification describes one embodiment of the invention as a device that duplicates CDs in response to requests transmitted through a network.

We believe that the methods used by Isomedia LLC to duplicate digital data may be covered by one or more claims of the Patent. Innovative Automation is prepared to offer you a license under the Patent in connection with these methods.

Innovative Automation has filed patent infringement lawsuits against fifteen companies that provide media duplication products and services. (*See Innovative Automation LLC v. Microtech Systems, Inc.*, 4:11-cv-01299-PJH (N.D. Cal. 2011); *Innovative Automation LLC v. Audio and Video Labs, Inc. et al.*, 6:11-cv-234 (E.D. Tex. 2011).) We hope to avoid further litigation.

You can view the Patent, as well as the file history of the Patent's prosecution, at http://www.gutridesafier.com/innovative-automation/. As you will see, the Patent Office issued the Patent after considering the prior art and determining that the invention was novel and worthy of patent protection.

We propose an agreement that would release Isomedia—as well as its owners, officers, and employees—from any past liability under the Patent, and would grant Isomedia a license to use the Patent until it expires in November 2020. In exchange, Innovative Automation would receive fair value for the benefit your company has received from any past and continued use of the patented technology.

We would like to schedule an in-person meeting to explain the details of the Patent, why we believe it covers your devices, and the proposed license, and to give you an opportunity to ask questions and provide input to help us amicably resolve this matter. As the meeting will be introductory, we believe it will be helpful even if you and your counsel may not have had the opportunity to fully analyze the Patent before the meeting date. We would be happy to have the meeting at your offices; at the offices of our co-counsel Booke & Ajlouny, LLP in San Jose; or at another mutually convenient location.

We would like to schedule the introductory meeting during the week of June 13. If that week is not convenient for you, please suggest an alternative date around that time period. We expect that this meeting will not last longer than a few hours, but we are willing to have more extensive discussions at your request. If we do not hear from you by June 6, we will call you to confirm the exact date and time for the meeting.

If you have any questions about this letter, please contact me directly at (415) 789-6390.

Thank you for your prompt attention to this matter.

Best regards,

Todd Kennedy

Writing a CD entails not only transferring digital data from the cache 520 to the blank CD-Rs 540, but also printing certain graphics on the surface of the mediums. Thus, each CD Writer must be equipped with at least one printing device 530.

While the present invention is illustrated with particular embodiments, it is not intended that the scope of the invention be limited to the specific and preferred embodiments illustrated and described.

I claim:

1. A computer-implemented method of digital data duplication comprising:

taking requests at one or more user interfaces;

transmitting said requests through a network to a computer;

assigning each of said requests to one of a plurality of output devices; and

executing the duplication process,

wherein said computer comprises:

at least one first module configured to create a task log based on incoming requests;

at least one second module configured to store all data necessary for executing said duplication process;

at least one third module configured to create a subset of said data stored in said second module, further configured to download said subset to one of said output devices, and further configured to command said output device to transfer said subset onto blank media; and

a connection through which said second module communicates with said first module and said third module.

2. The method of claim 1, wherein said data stored in said second module comprises:

an expandable indexed archive of digital data, said data representing contents available for request by customers; and

at least one resource file for each of said output devices in communication with said computer.

3. The method of claim 2, wherein said data in each said resource file comprises:

name and type of said output devices;

network address of said output device;

number of drives in said output device;

availability of said output device;

number of blank recording mediums pre-loaded in said output device;

index of digital data that has been downloaded onto said output device; and

hard drive capacity remaining in said output device.

4. The method of claim 1, wherein said first module is configured to send at least one signal to at least one printing device to create mailing address labels for each of said requests.

5. The method of claim 1, wherein assigning said requests comprises:

grouping together requests for the same content;

directing said requests to the most immediately available output device that is capable of making the requested duplication onto the requested type of recording medium;

tracking the number of recording mediums remaining in each output device;

notifying an operator if more recording mediums need to be loaded;

finding the digital data that corresponds to the requested content;

sending a write command to said output device in the format that said output device understands;

waiting for the output device to perform the requested number of duplications;

repeating the above steps each time a new request is entered.

6. The method of claim 5, wherein finding the digital data comprises:

checking the cache of said output devices for data representing the requested content(s);

deleting enough pre-existing data in said cache to make room for said requested content; and

downloading said requested content from said computer onto said cache of said output device.

7. The method of claim 1, wherein each module that comprises said computer is responsive to electronic mail commands.

8. A system for duplication of data onto digital recording mediums, the system comprising:

a customer interface; and

a communication network connecting said customer interface to a server that schedules and process duplication;

wherein said server comprises:

first module for creating a log of customer requests;

second module for storing the data to be duplicated;

third module for scheduling the duplication of each request and directing each request to one of a plurality of output devices;

at least one printing device for producing mailing labels for each request; and

at least one output device for transferring the data requested by customers from an internal data storage onto digital recording mediums.

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