

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

**FASTVDO LLC,**

**Plaintiff,**

**v.**

**THOMSON VIDEO NETWORKS  
AMERICAS LLC,**

**Defendant.**

**Civil Action No.**

**DEMAND FOR JURY TRIAL**

**COMPLAINT**

Plaintiff FastVDO LLC (“FastVDO”) alleges as follows:

**PARTIES**

1. FastVDO is a Florida limited liability corporation with a principal place of business at 750 N. Atlantic Ave., Cocoa Beach, FL 32931.
2. On information and belief, Thomson Video Networks Americas LLC (“Thomson”) is a Delaware corporation with a principal place of business at 104 Feeding Hills Rd., Southwick, MA 01077.

**JURISDICTION AND VENUE**

3. This is an action for patent infringement arising under the patent laws of the United States of America, 35 U.S.C. § 1, *et seq.*, including § 271. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
4. This Court has personal jurisdiction over Thomson because, among other reasons, Thomson is incorporated under the laws of the State of Delaware, and Thomson has conducted and continues to conduct regular and ongoing business in Delaware. Additionally, on information and belief, Thomson has committed direct and indirect acts of infringement in this District by making, using, importing, offering for sale, and/or selling infringing products, and inducing others to perform method steps claimed by FastVDO’s patent in Delaware.

5. Venue is proper in this district under 28 U.S.C. §§ 1391(b)-(c) and 1400(b) because, among other reasons, Thomson is incorporated under the laws of the State of Delaware, and Thomson has conducted and continues to conduct regular and ongoing business in Delaware. Additionally, on information and belief, Thomson has committed direct and indirect acts of infringement in this District by making, using, importing, offering for sale, and/or selling infringing products, and inducing others to perform method steps claimed by FastVDO's patent in Delaware.

### COUNT I

#### (Infringement of U.S. Patent No. RE 40,081)

6. FastVDO is the owner by assignment and merger of United States Patent No. RE 40,081 ("the '081 patent"), entitled "Fast Signal Transforms With Lifting Steps." The '081 patent reissued on February 19, 2008, based on an initial application filed December 16, 1998. A true and correct copy of the '081 patent is attached hereto as Exhibit A. The '081 patent enables digital video compression through the coding and decoding of blocks of digital image intensities with a block coder and transform coder that utilizes an invertible linear transform having a +/-1 butterfly step, a lifting step, and a scaling factor. International Telecommunications Union – Telecommunication Standardization Sector (ITU-T) H.264 (also known as MPEG-4 Part 10, Audio Video Coding or AVC) (herein "H.264" or "MPEG-4 AVC") is a video compression standard that performs digital image compression by coding and decoding blocks of digital image intensities with a block coder and with a transform coder that includes an invertible linear transform, which is representable as a cascade using at least one +/-1 butterfly step, at least one lifting step, and at least one scaling factor. The FastVDO patent is essential to the H.264 standard, and it was properly identified to the International Telecommunications Union on May 14, 2003, before the promulgation of the H.264 standard in March 2005.

7. On information and belief, in violation of one or more provisions of 35 U.S.C. § 271, Thomson has infringed one or more claims of the '081 patent by making, using, importing, selling, or offering to sell video delivery systems and solutions that use H.264 to code

and/or decode video, including, but not limited to, VIBE EM1000, VIBE EM2000, VIBE EM3000, VIBE EM4000, Vibe Mosaic Generator, VIBE VS7000, VIBE CP6000, and VIBE Mobile TV Encoder. Additionally, Thomson has had knowledge of the '081 patent since at least November 8, 2012,<sup>1</sup> or alternatively since being served with this complaint, and Thomson has induced others, such as its customers and/or consumers of H.264 content produced by its customers, to code and/or decode video with H.264 and practice the method steps of the '081 patent with its marketing materials, advertising materials, manuals and customer support services since at least this time. For example, the marketing material for the VIBE EM3000 available on Thomson's website explains that: "The VIBE encoder line is based on the world's first professional-grade MPEG-4 compression chipset. At the heart of this new encoder line is a dedicated application-specific integrated circuit (ASIC) from Thomson Video Networks with greatly increased processing power providing premium compression and true multi-pass MPEG-4 AVC encoding. Together, these technologies deliver MPEG-4 AVC compression at a greater than 50 percent efficiency compared to MPEG-2 systems." See VIBE EM3000 product data sheet at 1.<sup>2</sup> The VIBE EM3000 leverages "Mustang video-compression architecture," according to Thomson's website.<sup>3</sup> Documentation for the Mustang Integrated Circuit explains that: "The Mustang IC was designed to support both H.264 and MPEG-2 standards. Both standards use the same block-based motion compensation principle, but H.264 brings additional tools ... Taking the benefits of these tools from hardware performance increases (such as larger motion vector ranges) a bit rate reduction of at least 6% is observed on complex to code content due to direct inheritances of the H.264 Mustang encoder[.]"<sup>4</sup> Broadcasters, such as WGXA, use the VIBE EM3000 to transmit content in high-definition.<sup>5</sup> These marketing materials exemplify how

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<sup>1</sup> See Exhibit B.

<sup>2</sup> Available at [http://www.thomson-networks.com/en/system/files/products/cdt5038d-8\\_vibe\\_em3000\\_hd\\_encoder\\_data\\_sheet.pdf](http://www.thomson-networks.com/en/system/files/products/cdt5038d-8_vibe_em3000_hd_encoder_data_sheet.pdf) (attached hereto as Exhibit C).

<sup>3</sup> See <http://www.thomson-networks.com/en/products/video-compression/hd-encoder> (attached hereto as Exhibit D).

<sup>4</sup> See [http://www.thomson-networks.com/sites/default/files/White\\_Papers/CDT-3101M.pdf](http://www.thomson-networks.com/sites/default/files/White_Papers/CDT-3101M.pdf) (attached hereto as Exhibit E).

<sup>5</sup> See <http://www.thomson-networks.com/en/news/wgxa-fox-affiliate-transmit-two-hd-services-one-channel-grass-valley> (attached hereto as Exhibit F).

Thomson induces its customers to use its accused products to encode and/or decode digital images with H.264, and/or code video with H.264 and transmit compressed video to others for decoding with H.264 and viewing, to practice the method steps of the '081 patent (e.g., coding and decoding blocks of digital image intensities with a block coder and transform coder that utilizes an invertible linear transform having a +/- butterfly step, a lifting step, and a scaling factor). By continuing the representative aforementioned activities with knowledge of the '081 patent and its essentiality to the H.264 standard, Technicolor has known, or should have known, that it was inducing infringement by causing the method steps of the '081 patent to be performed.

### **PRAYER FOR RELIEF**

FastVDO prays for the following relief:

1. A judgment that Thomson has directly infringed (either literally or under the doctrine of equivalents) one or more claims of the '081 patent;
2. A judgment that Thomson has induced the infringement of one or more claims of the '081 patent;
3. A permanent injunction enjoining Thomson and its officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert or participation with them, from infringing each of the '081 patent;
4. An award of damages resulting from Thomson's acts of infringement in accordance with 35 U.S.C. § 284;
5. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to FastVDO its reasonable attorneys' fees;
6. A judgment and order requiring Technicolor to provide an accounting and to pay supplemental damages to FastVDO, including without limitation, pre-judgment and post-judgment interest; and
7. Any and all other relief to which FastVDO may show itself to be entitled.

**DEMAND FOR JURY TRIAL**

FastVDO demands a trial by jury on all issues so triable.

Dated: November 9, 2012

FARNAN LLP

/s/ Brian E. Farnan

Joseph J. Farnan, III (Bar No. 3945)

Brian E. Farnan (Bar No. 4089)

919 North Market Street, 12<sup>th</sup> Floor

Wilmington, DE 19801

(302) 777-0300

bfarnan@farnanlaw.com

*Attorneys for Plaintiff*

*FastVDO, LLC*

Of Counsel:

Alexander C.D. Giza

Marc A. Fenster

Kevin P. Burke

RUSS, AUGUST & KABAT

12424 Wilshire Boulevard, 12th Floor

Los Angeles, CA 90025-1031

(310) 826-7474

agiza@raklaw.com

mfenster@raklaw.com

kburke@raklaw.com