IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

FASTVDO LLC, **Plaintiff,** **v.** **ROVI CORPORATION,** **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, Rovi Corporation ("Rovi") is a Delaware corporation with a principal place of business at 2830 De La Cruz Boulevard, Santa Clara, CA 95050.

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 Rovi because, among other reasons, Rovi is incorporated under the laws of the State of Delaware, and Rovi has conducted and continues to conduct regular and ongoing business in Delaware. Additionally, on information and belief, Rovi 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, Rovi is incorporated under the laws of the State of Delaware, and

Rovi has conducted and continues to conduct regular and ongoing business in Delaware. Additionally, on information and belief, Rovi 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, Rovi has infringed one or more claims of the '081 patent by making, using, importing, selling, or offering to sell content production tools, media management tools, software and developer applications, and video distribution and playback solutions that use H.264 to code and/or decode video, including, but not limited to TotalCode Enterprise, TotalCode Professional,

TotalCode Studio, Scenarist BD, BD Reauthor, Media Server Software Solution, and MediaConcept. Additionally, Rovi has had knowledge of the '081 patent since at least November 8, 2012,[1] or alternatively since being served with this complaint, and Rovi 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, Rovi advertises that its TotalCode product line provides "[p]remium quality, high volume encoding for post-production, multimedia, broadcast, mobile and IPTV."[2] Rovi's TotalCode product line is built on its MainConcept codec technology, and "consists of a standalone desktop coding solution; a mastering level professional encoder, including advanced QC and re-encoding refinement tools; and enterprise-class, server distributed solutions that scale seamlessly to meet production needs." *Id*. The specifications for TotalCode Enterprise, TotalCode Professional, and TotalCode Studio show that H.264 is a supported video format.[3] [4] [5] Rovi also offers offers MainConcept software development kits for "video encoding, decoding, transcoding, and streaming software applications."[6] Rovi's MainConcept H.264/AVC Codec Package "offers fast encoding and decoding speeds in all profiles and levels. It encodes and decodes H.264/AVC video, making it easy to add support for this exciting new format to existing applications."[7] There is also a MainConcept H.264 transcoding software development kit.[8] These marketing and technical materials exemplify how Rovi induces its customers to use

[1] *See* Exhibit B.
[2] *See* http://www.rovicorp.com/webdocuments/product_literature/factsheet_TotalCode_Jul2012.pdf?link_id= (attached hereto as Exhibit C).
[3] *See* http://www.rovicorp.com/products/distribution/content-production-tools/totalcode-enterprise.htm#specifications (attached hereto as Exhibit D).
[4] *See* http://www.rovicorp.com/products/distribution/content-production-tools/totalcode-professional.htm#specifications (attached hereto as Exhibit E).
[5] *See* http://www.rovicorp.com/products/distribution/content-production-tools/totalcode-studio.htm#specifications (attached hereto as Exhibit F).
[6] *See* http://www.mainconcept.com/index.php (attached hereto as Exhibit G).
[7] *See* http://www.mainconcept.com/products/sdks/video/h264avc.html (attached hereto as Exhibit H).
[8] *See* http://www.mainconcept.com/products/sdks/transcoding/reference-sdk.html (attached hereto as Exhibit I).

its accused products to code and/or decode videos with H.264, and/or code video with H.264 and transmit these compressed videos to others for decoding and viewing to perform 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 +/-1 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, Rovi 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 Rovi has directly infringed (either literally or under the doctrine of equivalents) one or more claims of the ‘081 patent;

2. A judgment that Rovi has induced the infringement of one or more claims of the ‘081 patent;

3. A permanent injunction enjoining Rovi 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 Rovi’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 Rovi 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
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