

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

1ST TECHNOLOGY, LLC,
Plaintiff,
v.
PANDORA MEDIA, INC.,
Defendant.

COMPLAINT

Case No. _____

JURY DEMANDED

Plaintiff 1st Technology, LLC complains of defendant Pandora as follows:

JURISDICTION AND VENUE

1. Title 28 U.S.C. § 1338(a) confers jurisdiction in this case because defendant has infringed plaintiff’s patents. Federal law, namely the Patent Act of 1952, as amended, 35 U.S.C. § 271, makes patent infringement illegal and actionable through a private cause of action.

2. Defendant has transacted business in this judicial district by making, using, selling, or offering to sell and distributing software products that violate 1stTechnology’s patent in this judicial district.

3. Title 28 U.S.C. § 1391(d), the general federal venue statute and Title 28 U.S.C. § 1400(b), the specific venue statute related to patent cases, make venue proper in this case in this district.

PARTIES

4. 1st Technology is a Nevada limited liability company with offices in Las Vegas, Nevada. 1st Technology is the assignee and owns all right, title and interest in and has standing to sue for infringement of United States Patent Nos.:

5,564,001 (the ‘001 Patent), which is entitled “Method and System for Interactively Transmitting Multimedia Information Over a Network Which Requires A Reduced Bandwidth;”

5,745,379 (the ‘379 Patent), which is entitled “Method for the Production and Transmission of Enhanced Multimedia Information;” and

5,845,088 (the '088 Patent), which is entitled "Method for the Production and Transmission of Enhanced Interactive Multimedia Information."

5. Pandora is a Delaware corporation, with its principle place of business at 2101 Webster Street, Suite 1650, Oakland, California 94612. Pandora has previously and is presently making, using, selling, offering for sale, and/or importing into the United States software products (among other products, the Pandora desktop client) that infringe one or more claims of the '001, '379, and '088 Patents. Pandora has infringed the '001, '379, and '088 Patents either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271.

BACKGROUND

6. Dr. Scott Lewis is an individual residing in Las Vegas, Nevada. Dr. Lewis is the controlling manager of 1st Technology LLC. Dr. Lewis is the inventor of the '001 Patent.

7. Dr. Lewis received B.S. and M.S. degrees with honors in mechanical and electrical engineering from M.I.T. Dr. Lewis has a Ph.D. from Oxford University in adaptive digital signal processing as a Marshall Scholar and an M.B.A. from Harvard Business School. Dr. Lewis led the development of single-chip video and audio compression solutions, as well as the first automotive video cellular telephone. Dr. Lewis is the inventor of a number of patents in multimedia communication technology.

8. Defendant Pandora is a free (ad supported) and subscription (fee based) automated music recommendation service offering streaming music and other related media on a wide variety of platforms.

PATENT INFRINGEMENT BY PANDORA

9. Pandora has infringed and continues to infringe the '001, '379, and '088 Patents either directly or indirectly through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271 through at least its Pandora web application, set-top box application, and stand-alone personal computer applications.

10. Pandora's infringement, contributory infringement and/or inducement to infringe has injured 1st Technology and it, therefore, is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

11. Pandora's infringement, contributory infringement and/or inducement to infringe has been willful and deliberate at least with respect to the '001 Patent because it has been given notice of or knew of the '001 Patent and has nonetheless injured and will continue to injure 1st Technology, unless and until this Court enters an injunction, which prohibits further infringement and specifically enjoins further manufacture, use, sale and/or offer for sale of products or services that come within the scope of the '001 Patent.

JURY DEMAND

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, 1st Technology requests a trial by jury on all issues presented that can properly be tried to a jury.

DEMAND FOR RELIEF

THEREFORE, 1st Technology asks this Court to enter judgment against defendant Pandora and against its respective joint venture partners, subsidiaries, affiliates, agents, servants, employees and all persons in active concert or participation with it, granting the following relief:

- A. An award of damages adequate to compensate 1st Technology for the infringement that has occurred, together with prejudgment interest from the date infringement began;
- B. All other damages permitted by 35 U.S.C. § 284;
- C. A finding that Pandora has willfully infringed the '001 Patent.
- D. A finding that this case is exceptional and an award to 1st Technology of its attorneys' fees and costs as provided by 35 U.S.C. § 285;
- E. An injunction prohibiting further infringement, inducement and contributory infringement of the '001, '379, and '088 Patents; and
- F. Such other and further relief as this Court or a jury may deem proper and just.

Dated: November 26, 2012

Respectfully submitted,

/s/ William Flachsbart
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