

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

FASTVDO LLC,

Plaintiff,

**v.
UTC FIRE & SECURITY AMERICAS
CORPORATION, INC.; and
LENEL SYSTEMS INTERNATIONAL,
INC.;**

Defendants.

C.A. No. 12-cv-1433-RGA

DEMAND FOR JURY TRIAL

AMENDED 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, UTC Fire & Security Americas Corporation, Inc. (“UTC Fire & Security”) is a Delaware corporation with a principal place of business at 8985 Town Center Parkway, Bradenton FL 34202.
3. On information and belief, Lenel Systems International, Inc. (“Lenel”) is a Delaware corporation with a principal place of business at 1212 Pittsford-Victor Road, Pittsford, New York, 14534. UTC Fire & Security and Lenel are collectively referred to as “Defendants”.

JURISDICTION AND VENUE

4. 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).
5. This Court has personal jurisdiction over Defendants because, among other reasons, Defendants are incorporated under the laws of the State of Delaware, and Defendants have conducted and continue to conduct regular and ongoing business in Delaware.

Additionally, on information and belief, Defendants have 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.

6. Venue is proper in this district under 28 U.S.C. §§ 1391(b)-(c) and 1400(b) because, among other reasons, Defendants are incorporated under the laws of the State of Delaware, and Defendants have conducted and continue to conduct regular and ongoing business in Delaware. Additionally, on information and belief, Defendants have 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)

7. 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.

8. On information and belief, in violation of one or more provisions of 35 U.S.C. § 271, UTC Fire & Security has infringed one or more claims of the '081 patent by making, using, importing, selling, or offering to sell video surveillance products, video management products, software and services that use H.264 to code and decode video, including, but not limited to Legend IP Cam, UltraView Cam IP, UltraView EVP Encoder 10/Decoder 10, UltraView EVP Recorder 40/40D, UltraView EVP Recorder 60, UltraView EVP Recorder 80, TruVision Megapixel IP Cameras (TVC-M1120-1-N, TVC-M2110-1-N), TVD-M1120-3-N, TVD-M2110-2-N), and TruVision DVR 10 4-channel H.264 DVR recorder. Additionally, UTC Fire & Security has had knowledge of the '081 patent since November 8, 2012,¹ or alternatively since receiving notice of the filing of this complaint, and UTC Fire & Security has induced its customers to code and/or decode video with H.264 and practice the method steps of the '081 patent since this time with its marketing materials, advertising materials, manuals and customer support services. For example, UTC Fire & Security advertises that its TruVision DVR 10 digital video recorder “provides users with a cost-effective surveillance solution that enable users to conveniently view, record and play back recorded video. With 4-channel capability and H.264 video compression, this DVR efficiently records and transmits high quality video for reliable and effective security.”² UTC Fire & Security also advertises that its TruVision Megapixel IP Cameras “utilize H.264 compression technology with dual-streaming capability, making it easy to manage the camera’s bandwidth usage.”³ Similarly, UTC Fire & Security’s Ultraview series IP cameras are advertised as featuring “advanced, powerful H.264 compression”.⁴ These representative marketing materials exemplify how UTC Fire & Security induces its customers to use its accused products to code and/or decode videos with H.264 to

¹ See Exhibit B.

² See <http://www.utcssecurityproducts.com/ProductsAndServices/Pages/TVR10.aspx>.

³ See http://www.interlogix.com/resources/truvision/truvis_megapixel_ds_pages.pdf.

⁴ See http://www.interlogix.com/resources/ultraview/011-3379_ultraview_box_64174.pdf.

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, UTC Fire & Security has known, or should have known, that it was inducing infringement by causing the method steps of the '081 patent to be performed.

9. On information and belief, in violation of one or more provisions of 35 U.S.C. § 271, Lenel has infringed one or more claims of the '081 patent by making, using, importing, selling, or offering to sell video surveillance products, video management products, software and services that use H.264 to code and decode video, including, but not limited to Lenel NVR7, OnGuard 6.5 software, and Prism 1.1 software. Additionally, Lenel has had knowledge of the '081 patent since receiving notice of the filing of this complaint, and Lenel has induced its customers to code and/or decode video with H.264 and practice the method steps of the '081 patent since this time with its marketing materials, advertising materials, manuals and customer support services. For example, Lenel advertises that the "Lenel NVR is a common recording platform that underpins both Prism and OnGuard VideoManager. Key features include fast video retrieval response time, enhanced H.264 and HD support, ... [and] the ability to run in virtual environments and support hundreds of 3rd party camera models." See OnGuard Brochure at 7.⁵ The technical specification for the Lenel NVR7 provides a software feature set comparison that shows that OnGaurd 6.5 and Prism 1.1 provide live video streaming, H.264 compression, and IFRAME recording in MPEG4 and H.264. See Lenel NVR7 Technical Specification at 1.⁶ These representative marketing materials exemplify how Lenel induces its customers to use its accused products to code and/or decode videos with H.264 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

⁵ Available at http://cdn.lenel.com/collateral/OG12_BR.pdf.

⁶ Available at http://cdn.lenel.com/collateral/LNVR7_TS.pdf.

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, Lenel 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 Defendants have directly infringed (either literally or under the doctrine of equivalents) one or more claims of the '081 patent;
2. A judgment that Defendants have induced the infringement of one or more claims of the '081 patent;
3. A permanent injunction enjoining Defendants and their 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 Defendants' 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 Defendants 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.

Date: January 3, 2013

Respectfully submitted,

FARNAN LLP

/s/ Brian E. Farnan

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