

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE

|                         |   |                            |
|-------------------------|---|----------------------------|
| PARALLEL NETWORKS, LLC, | ) |                            |
|                         | ) |                            |
| Plaintiff,              | ) | C.A. No. _____             |
|                         | ) |                            |
| v.                      | ) | <b>JURY TRIAL DEMANDED</b> |
|                         | ) |                            |
| KOG GAMES, INC.,        | ) |                            |
|                         | ) |                            |
| Defendant.              | ) |                            |
|                         | ) |                            |

**COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Parallel Networks, LLC (“Parallel”) files this Complaint for patent infringement against Defendant KOG Games, Inc. (“KOG” or “Defendant”) and alleges as follows:

**PARTIES**

1. Plaintiff Parallel Networks, LLC is a Delaware limited liability company having its principal place of business at 1105 N. Market St., Suite 300, Wilmington, Delaware 19801.
2. On information and belief, KOG Games, Inc. is a corporation organized under the laws of the State of Delaware, and has a principal place of business at 1230 Montana Avenue, Suite 210, Santa Monica, California, and/or is conducting business through an affiliate located at this address.

**JURISDICTION AND VENUE**

3. This civil action for patent infringement arises under the Patent Laws of the United States, 35 U.S.C. §§ 1 *et seq.* This Court has jurisdiction over the claims presented herein pursuant to 28 U.S.C. §§ 1331 and 1338(a).

4. On information and belief, KOG makes, imports, sells, and/or offers for sale the Accused Products (as defined below) within the United States, including this District, that infringe one or more claims of United States Patent No. 7,188,145 entitled “METHOD AND SYSTEM FOR DYNAMIC DISTRIBUTED DATA CACHING” (the “145 Patent”). The '145 Patent was duly and legally issued by the United States Patent and Trademark Office on March 6, 2007. A true and correct copy of the '145 Patent is attached hereto as Exhibit 1.

5. On information and belief, KOG makes, imports, sells, and/or offers for sale the Accused Products (as defined below) within the United States, including this District, that infringe one or more claims of United States Patent No. 7,730,262 entitled “METHOD AND SYSTEM FOR DYNAMIC DISTRIBUTED DATA CACHING” (the “262 Patent”). The '262 Patent was duly and legally issued by the United States Patent and Trademark Office on June 1, 2010. A true and correct copy of the '262 Patent is attached hereto as Exhibit 2.

6. The '145 Patent and '262 Patent are collectively referred to herein as the “Asserted Patents.”

7. On information and belief, Defendant KOG is engaged in the business of developing and distributing videogames, including but not limited to *Elsword*. KOG appears to derive revenue from the sale of “K-Ching,” a virtual currency that KOG’s customers use to purchase in-game enhancements. On information and belief, KOG markets and sells its games in the United States, including within this District. On information and belief, KOG markets and sells K-Ching in-game currency in the United States, including within this District. On information and belief, KOG customers, including customers within this District, download KOG games through KOG’s interactive website <http://www.elswordonline.com/>. KOG

customers, including customers in this District, purchase K-Ching using a KOG website at <https://myaccount.elswordonline.com/Elsword/howtoloadup>.

8. On information and belief, KOG directly and/or indirectly imports, manufactures, uses, offers for sale, and/or sells the Accused Products (as defined below) within the United States, including this District, that infringe one or more claims of the Asserted Patents.

9. Venue is proper in this District pursuant to 28 U.S.C. §§ 1400(b) and 1391(c).

### **GENERAL ALLEGATIONS**

10. Parallel is the owner by assignment of all rights, title, and interests in the Asserted Patents, and is entitled to sue for past and future infringement thereof.

11. On information and belief, KOG is engaged in the business of developing and distributing videogames, including but not limited to *Elsword*. On information and belief, KOG sells and/or distributes an installer, such as but not limited to the “ElswordDownloader\_v3.0116.6.1.exe” installer (the “ElswordDownloader\_v3.0116.6.1.exe” installer and all similar installers, downloaders and/or launchers referred to herein as the “Accused Products”) that is downloaded by an end-user using a KOG website, such as at <http://myaccount.elswordonline.com/Elsword/Download>, through or by which KOG distributes its game or games.

### **FIRST CLAIM FOR RELIEF** (Infringement of the '145 Patent)

12. Parallel incorporates paragraphs 1 through 11 as though fully set forth herein.

13. Upon information and belief, Defendant KOG has been and now is directly and/or indirectly infringing one or more claims of the '145 Patent by (1) making, importing, using, offering for sale, and/or selling the patented inventions, (2) by actively inducing others to

use the patented inventions, or (3) by contributing to the use of the patented inventions in the United States.

14. More particularly, without limitation, KOG is now directly infringing one or more claims of the '145 Patent by making, importing, using, offering for sale, and/or selling the Accused Products, all in violation of 35 U.S.C. § 271(a).

15. In addition and/or in the alternative, KOG has been and/or now is indirectly infringing one or more claims of the Asserted Patents by (1) inducing customers to use the Accused Products to directly infringe one or more claims of the Asserted Patents in violation of 35 U.S.C. § 271(b), and/or by (2) contributing to customers' direct infringement of one or more claims of the Asserted Patents by their use of the Accused Products in violation of 35 U.S.C. § 271(c).

16. By way of example, and not as a limitation, KOG induces and/or contributes to such infringement by at least making its website available to customers and providing links and/or other directions on its website and/or the internet for users to download and use the Accused Products. KOG engages in such activities knowingly and, at least from the time of receipt of the present Complaint, has done so with the knowledge that such activities induce customers to directly infringe the Asserted Patents. In addition, or, in the alternative, KOG engages in such activities knowingly, and, at least from the time of receipt of the present Complaint, has sold or distributed the Accused Products knowing that such Accused Products are especially made or adapted for use by its customers in an infringing use of one or more claims of the Accused Products.

17. Parallel has been damaged by the infringing activities of KOG, and will be irreparably harmed unless those infringing activities are preliminarily and permanently enjoined by this Court. Parallel does not have an adequate remedy at law.

18. At least as of the filing of this action, KOG has been given actual notice of the existence of the '145 Patent. Despite such notice, KOG continues in acts of infringement without regard to the '145 Patent, and will likely continue to do so unless otherwise enjoined by this Court.

**SECOND CLAIM FOR RELIEF**

(Infringement of the '262 Patent)

19. Parallel incorporates paragraphs 1 through 11 as though fully set forth herein.

20. Upon information and belief, Defendant KOG has been and now is directly and/or indirectly infringing one or more claims of the '262 Patent by (1) making, importing, using, offering for sale, and/or selling the patented inventions, (2) by actively inducing others to use the patented inventions, or (3) by contributing to the use of the patented inventions in the United States.

21. More particularly, without limitation, KOG is now directly infringing one or more claims of the '145 Patent by making, importing, using, offering for sale, and/or selling the Accused Products, all in violation of 35 U.S.C. § 271(a).

22. In addition and/or in the alternative, KOG has been and/or now is indirectly infringing one or more claims of the Asserted Patents by (1) inducing customers to use the Accused Products to directly infringe one or more claims of the Asserted Patents in violation of 35 U.S.C. § 271(b), and/or by (2) contributing to customers' direct infringement of one or more claims of the Asserted Patents by their use of the Accused Products in violation of 35 U.S.C. § 271(c).

23. By way of example, and not as a limitation, KOG induces and/or contributes to such infringement by at least making its website available to customers and providing links and/or other directions on its website and/or the internet for users to download and use the Accused Products. KOG engages in such activities knowingly and, at least from the time of receipt of the present Complaint, has done so with the knowledge that such activities induce customers to directly infringe the Asserted Patents. In addition, or, in the alternative, KOG engages in such activities knowingly, and, at least from the time of receipt of the present Complaint, has sold or distributed the Accused Products knowing that such Accused Products are especially made or adapted for use by its customers in an infringing use of one or more claims of the Accused Products.

24. Parallel has been damaged by the infringing activities of KOG, and will be irreparably harmed unless those infringing activities are preliminarily and permanently enjoined by this Court. Parallel does not have an adequate remedy at law.

25. At least as of the filing of this action, KOG has been given actual notice of the existence of the '262 Patent. Despite such notice, KOG continues in acts of infringement without regard to the '262 Patent, and will likely continue to do so unless otherwise enjoined by this Court.

### **REQUEST FOR RELIEF**

WHEREFORE, Parallel requests the following relief:

(a) A judgment in favor of Parallel that KOG has directly infringed, and/or has indirectly infringed by way of inducement and/or contributory infringement, one or more claims of the Asserted Patents;

(b) A judgment that Parallel has been irreparably harmed by the infringing activities of KOG and is likely to continue to be irreparably harmed by Defendant's continued infringement;

(c) Preliminary and permanent injunctions prohibiting KOG and its officers, agents, servants, employees and those persons in active concert or participation with any of them, as well as all successors or assignees of the interests or assets related to the Accused Products, from further infringement, direct and indirect, of the Asserted Patents;

(d) A judgment and order requiring KOG to pay Parallel damages adequate to compensate for infringement under 35 U.S.C. § 284, which damages may include lost profits but in no event shall be less than a reasonable royalty for the use made of the inventions of the Asserted Patents, including pre- and post-judgment interest and costs, including expenses and disbursements; and

(e) Any and all such further necessary or proper relief as this Court may deem just.

**DEMAND FOR JURY TRIAL**

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Parallel hereby demands a trial by jury of all issues so triable.

OF COUNSEL

BUETHER JOE & CARPENTER, LLC

Brian A. Carpenter

Eric W. Buether

Christopher M. Joe

Michael D. Ricketts

1700 Pacific Avenue

Suite 4750

Dallas, Texas 75201

(214) 446-1273

*Eric.Buether@BJCIPlaw.com*

*Brian.Carpenter@BJCIPlaw.com*

*Chris.Joe@BJCIPlaw.com*

*Mark.Perantie@BJCIPlaw.com*

*Mickey.Ricketts@BJCIPlaw.com*

Dated: February 1, 2013

YOUNG CONAWAY STARGATT & TAYLOR, LLP

*/s/ Monté T. Squire*

---

Adam W. Poff (No. 3990)

Monté T. Squire (No. 4764)

Rodney Square

1000 North King Street

Wilmington, Delaware 19801

(302) 571-6600

*apoff@ycst.com*

*msquire@ycst.com*

*Attorneys for Plaintiff Parallel Networks, LLC*