

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

CANATELO, LLC
Plaintiff,

v.

AVIGILON CORP.

Defendant.

CIVIL NUM.:

**PLAINTIFF REQUESTS TRIAL BY
JURY**

PATENT INFRINGEMENT

FIRST AMENDED COMPLAINT FOR INFRINGEMENT OF PATENT

TO THE HONORABLE COURT:

COMES NOW, Plaintiff Canatelo, LLC (“Canatelo”), through the undersigned attorneys, and respectfully alleges, states, and prays as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement under the Patent Laws of the United States, Title 35 of the United States Code (“U.S.C.”) to prevent and enjoin Defendant Avigilon, Corp.. (“Defendant”) from infringing and profiting, in an illegal and unauthorized manner and without authorization and/or consent from Plaintiff, from U.S. Patent Nos. 7,310,111 (the “111 patent”) and 6,476,858 (the “858 patent”) pursuant to 35 U.S.C. §271, and to recover damages, attorneys fees, and costs.

JURISDICTION AND VENUE

2. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§1331 and 1338(a).
3. Venue lies in this judicial district pursuant to 28 U.S.C. §§1391 and 1400(b).
4. Upon information and belief, Defendant has conducted and does conduct business within the Commonwealth of Puerto Rico, directly or through intermediaries, resellers or agents, or offers for sale, sells, advertises (including the use of web pages with promotional material)

products or services, or uses or induces others to use services or products in Puerto Rico that infringe the '111 and the '858, (collectively, the "Asserted Patents") or knowingly contributes to infringement of the Asserted Patents.

5. In addition to the Defendant's continuously and systematically conducting business in Puerto Rico, the cause of action against Defendant arises from (but is not limited to) the Defendant's purposeful acts committed in Puerto Rico, including Defendant's making, using, importing, offering for sale, or selling video-based security systems which include features that fall within the scope of at least one claim of the Asserted Patents.
6. Specifically, Avigilon purposefully directs activities at the Commonwealth of Puerto Rico by directing interested companies from the Commonwealth to a designated regional sales director named Gary Tryon.
7. Canatelo is owned by a local Puerto Rican entrepreneur and founder of multiple start-ups. Thus, the current owner of the Asserted Patents has availed himself of legal rights, duties and obligations within the district.
8. Canatelo acquired the patents as a way to further incentivize local innovation.
9. Upon information and belief, at the time of the invention all three inventors of the '111 and '858 patents were residing in Puerto Rico. Thus, the patent grew out of invention and innovation that took place within Puerto Rico.

THE PARTIES

10. Plaintiff Canatelo is a Puerto Rico limited liability company with its principal place of business at Martinal Plaza Aldea St. 1414, Suite 402, San Juan, Puerto Rico 00907.
11. Upon information and belief, Defendant Avigilon, Corp. is a Canadian corporation with its principal place of business at 1038 Hamilton St., Suite 406, Vancouver, British Columbia V6H 2R9.

FACTUAL ALLEGATIONS

The '111 Patent

12. On December 18, 2007, the United States Patent and Trademark Office (“USPTO”) duly and legally issued the ‘111 patent, entitled “Video monitoring and security system” after a full and fair examination. A true and correct copy of the ‘111 patent is attached hereto as Exhibit “A”.
13. Canatelo is presently the owner of the patent, having received all right, title and interest in and to the ‘111 patent from the previous assignee of record, Innovation Institute, a Puerto Rican research and development company. Canatelo possesses all rights of recovery under the ‘111 patent, including the exclusive right to recover for past infringement.
14. The ‘111 patent is valid and enforceable.
15. The invention described in the ‘111 Patent includes a method of operating a video surveillance system.
16. The method of operating a video surveillance system includes the steps of detecting motion in a video signal; compressing a portion of the video signal that includes the detected motion; and transmitting the compressed portion of the video signal that includes the detected motion as part of an e-mail, only after the step of detecting motion.
17. The method also includes the steps of accepting a user-defined mask having active and inactive cells, wherein any motion that occurs in the inactive cells remain undetected; and transmitting an alarm message independent from the e-mail but approximately simultaneous to the transmission of said email.
18. Avigilon makes, uses, sells, offers to sell and/or imports network video recorders (NVRs) including Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers.
19. Avigilon makes, uses, sells, offers to sell and/or imports cameras including HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD

H.264 Cameras, HD IP Cameras, HD Professional Cameras and Analog Video Encoders for integration with analog cameras.

20. Avigilon sells, offers to sell and/or imports one or more of the above cameras and network video recorders within the Commonwealth of Puerto Rico.
21. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers include multiple video inputs that receive signals from video cameras.
22. Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras include a video camera that generates a video signal.
23. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras include a built-in microprocessor, memory and software for performing various functions in relation to video signals.
24. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to detect motion in connected camera's field of view.
25. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP

Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to exclude specific areas of the connected camera's field of view from motion detection and surround specific excluded areas with active areas where motion is detected.

26. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to surround specific excluded areas where motion is not detected with active areas where motion is detected.

27. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers have the ability to send e-mail to a pre-designated e-mail address when motion is detected.

28. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers have the ability to include compressed video images in emails sent to the pre-designated e-mail address.

29. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to transmit alarm messages, such as transmitting electrical signals containing instructions and/or computer readable signals, instructing computer components to record and store camera images, and providing cues to alert human operators.

The '858 Patent

30. On November 5, 2002, the United States Patent and Trademark Office (“USPTO”) duly and legally issued the ‘858 patent, entitled “Video monitoring and security system” after a full and fair examination. A true and correct copy of the ‘858 patent is attached hereto as Exhibit “B”.
31. Canatelo is presently the owner of the patent, having received all right, title and interest in and to the ‘858 patent from the previous assignee of record, Innovation Institute, a Puerto Rican-based research and development company. Canatelo possesses all rights of recovery under the ‘858 patent, including the exclusive right to recover for past infringement.
32. The ‘858 patent is valid and enforceable.
33. The ‘858 Patent contains three independent claims and thirty-four dependent claims.
34. The invention described in the ‘858 Patent includes a video monitoring system especially suitable to monitor the security of a facility against an intrusion.
35. The video monitoring system includes at least one video camera that generates a video signal.
36. In addition, the video monitoring system includes a computer operationally coupled with the at least one video camera and configured to receive the video signal, wherein the video signal includes a plurality of frames each having a plurality of cells.
37. The computer described in the ‘858 Patent is configured to perform the following functions: detect motion as between a first and a second frame of the video signal by comparing a plurality of the cells of the first frame to a plurality of the cells of the second frame, wherein the plurality of cells of the first and second frames exclude a user-defined insensitive area, which is completely surrounded by an active area containing the plurality of the cells of the first and second frames; automatically transmit an electronic message upon detection of the motion wherein the electronic message includes a recorded and compressed copy of the video signal beginning approximately coincident with the detection of motion; and

automatically transmit an alarm message separate from the electronic message that alerts a user of the electronic message.

38. Avigilon makes, uses, sells, offers to sell and/or imports network video recorders (NVRs) including Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Server
39. Avigilon makes, uses, sells, offers to sell and/or imports cameras including HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras, HD Professional Cameras and Analog Video Encoders for integration with analog cameras.
40. Avigilon sells, offers to sell and/or imports one or more of the above cameras and network video recorders within the Commonwealth of Puerto Rico.
41. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers include multiple video inputs that receive signals from video cameras.
42. Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras include a video camera that generates a video signal.
43. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras include a built-in microprocessor, memory and software for performing various functions in relation to video signals.
44. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-

NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to detect motion in connected camera's field of view.

45. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to exclude specific areas of the connected camera's field of view from motion detection and surround specific excluded areas with active areas where motion is detected.

46. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to surround specific excluded areas where motion is not detected with active areas where motion is detected.

47. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers have the ability to send e-mail to a pre-designated e-mail address when motion is detected.

48. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers have the ability to include compressed video images in emails sent to the pre-designated e-mail address.

49. Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-

NVR and 15.0TB-HD-NVR NVR Servers; and Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras have the ability to transmit alarm messages, such as transmitting electrical signals containing instructions and/or computer readable signals, instructing computer components to record and store camera images, and providing cues to alert human operators.

Count I: DIRECT INFRINGEMENT

50. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 12-49.

The '111 Patent

51. Taken together, either partially or entirely, the features included in certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers include each of the elements recited in at least Claims 1-10 of the '111 Patent.

52. Certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers perform each of the steps recited in at least Independent Claim 13 of the '111 Patent.

53. Avigilon directly infringes at least Claims 1-10 and 13 of the '111 Patent by using, selling, offering to sell and/or importing certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in violation of 35 U.S.C. § 271(a).

54. Additionally, Avigilon directly infringes one or more claims of the '111 Patent by offering to sell Avigilon's infringing products and by licensing to end users in a commercial transaction software embedded in Avigilon's infringing products that performs the process defined by one or more claims of the '111 Patent. For example, and without limitation, Avigilon

directly infringes at least one claim of the '111 patent by offering to sell and conveying Avigilon's infringing products to end users including a license to a fully operational software program implementing and thus embodying the patented method.

The '858 Patent

55. Taken together, either partially or entirely, the features included in certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in combination with one or more of Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD H.264 Cameras, HD IP Cameras and HD Professional Cameras include each of the elements recited in at least Independent Claim 26 of the '858 Patent.
56. Taken together, either partially or entirely, certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers perform each of the steps recited in at least Claims 28-30 and 37 of the '858 Patent.
57. Avigilon directly infringes at least Claims 28-30 and 37 of the '858 Patent by using, selling, offering to sell and/or importing certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in violation of 35 U.S.C. § 271(a).
58. Avigilon additionally directly infringes at least Claim 26 of the '858 Patent by using, selling, offering to sell and/or importing certain Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in combination with one or more of Avigilon HD H.264 Dome cameras, HD IP Dome Cameras, HD Panoramic Dome IP Cameras, HD PTZ Cameras, HD

H.264 Cameras, HD IP Cameras and HD Professional Cameras in violation of 35 U.S.C. § 271(a).

Count II: INDUCING INFRINGEMENT

59. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 12-58.
60. Avigilon has had knowledge of the Asserted Patents and therefore of its infringement at least as of service of the original Complaint.
61. With notice that its acts amount to patent infringement, Avigilon knowingly and intentionally continues to indirectly infringe the Asserted Patents.

The '111 Patent

62. Furthermore, Defendants have had knowledge of the '111 Patent since public records show that the '111 Patent has been cited as "Prior Art" by at least two patents issued by the United States Patent and Trademark Office in the past six years.
63. Avigilon indirectly infringes one or more claims of the '111 Patent by actively inducing the infringement of their respective customers, buyers, users, subscribers and licensees who directly infringe by performing the patented process in violation of 35 USC § 271(b).
64. Avigilon indirectly infringes at least Claims 1-10 and 13 of the '111 Patent by actively inducing its customers, buyers, users, subscribers and/or licensees to infringe on the '111 Patent at least by using any of Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in violation of 35 U.S.C. § 271(b).
65. Avigilon actively induces others, such as their customers, users, subscribers, and/or licensees, to use the Infringing Products, which perform every step of the process recited in one or more claims of the '111 Patent. For example, Avigilon instructs customers on how to install, setup, and use infringing products.

66. Avigilon actively induce others, such as their customers, users, subscribers, and/or licensees, to use the infringing products, which perform every step of the process recited in one or more claims of the '111 Patent. For example, models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers include manual instructs customers to install, setup, and use the infringing products.

The '858 Patent

67. Avigilon also has had knowledge of the '858 Patent since public records show that the '858 Patent has been cited as "Prior Art" by at least ninety patents issued by the United States Patent and Trademark Office in the past ten years.

68. Avigilon indirectly infringes one or more claims of the '858 Patent by actively inducing the infringement of their respective customers, buyers, users, subscribers and licensees who directly infringe using the patented system in violation of 35 USC § 271(b).

69. Avigilon actively induces others, such as their customers, users, subscribers, and/or licensees to use the infringing products, which contain all the features recited in one or more claims of the '858 Patent. For example, the infringing products include manuals with instructions to direct customers on how to install, setup, and use the infringing products.

70. Avigilon indirectly infringes at least Claims 26, 28-30 and 37 of the '858 Patent by actively inducing its customers to infringe on the '858 Patent at least by using any of Avigilon's models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in violation of 35 U.S.C. § 271(b).

Count III: CONTRIBUTORY INFRINGEMENT

71. Plaintiff realleges and incorporates by reference the allegations set forth in paragraphs 12-70.

The '111 Patent

72. With knowledge of the patents in suit, Defendant has infringed and upon service of the original complaint, continues to indirectly infringe the '111 Patent by contributing to the direct infringement of a class of actors which includes the end-users of the infringing

products, as well as customers, users, subscribers and/or licensees, by selling, offering for sale, and otherwise encouraging the class of actors to use the infringing products which perform all the steps of the patented method as described in one or more claims of the '111 Patent, aware of the fact that such acts amount to infringement of one or more claims of the '111 Patent and with the specific intent to contribute to the infringement.

73. Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers which are components of a patented machine covered by one or more of Claims 1-10 of the '111 Patent, constitute a material part of the invention and are not a staple article or commodity of commerce suitable for non-infringing use.
74. Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers are apparatuses for use in practicing a patented process covered by at least Claim 13 of the '111 Patent, constitute a material part of the invention and are not a staple article or commodity of commerce suitable for non-infringing use.
75. Avigilon has known that its models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers were especially designed or especially adapted for use in infringement of the '111 Patent at least as of service of the original Complaint.
76. Avigilon contributes to the infringement of one or more of Claims 1-10 and 13 of the '111 Patent by offering to sell, selling and/or importing Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in violation of 35 U.S.C. § 271(c).

The '858 Patent

77. With knowledge of the patents in suit, Avigilon indirectly infringes the '858 Patent by contributing to the direct infringement of a class of actors which includes the end-users of the infringing products, as well as customers, users, subscribers and/or licensees, by selling, offering for sale, and otherwise encouraging the class of actors to use the infringing products which contain all the features of the patented system as described in one or more claims of the '858 Patent, aware of the fact that such acts amount to infringement of one or more claims of the '858 Patent and with the specific intent to contribute to the infringement.
78. Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers are components of a patented machine covered by one or more of Claims 1-26 of the '858 Patent, constitute a material part of the invention and are not a staple article or commodity of commerce suitable for non-infringing use.
79. Avigilon models including, but not limited to, 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers are apparatuses for use in practicing a patented process covered by one or more of Claims 28-37 of the '858 Patent, constitute a material part of the invention and are not a staple article or commodity of commerce suitable for non-infringing use.
80. Avigilon has known that its models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers were especially designed or especially adapted for use in infringement of the 858 Patent at least as of service of the original Complaint.
81. Avigilon contributes to the infringement of one or more of Claims 1-37 of the '858 Patent by offering to sell, selling and/or importing Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-

HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers in violation of 35 U.S.C. § 271(c).

82. Avigilon contributes to the direct infringement by others of one or more claims of the Asserted Patents in violation of 35 U.S.C. § 271(c). The class of such direct infringers includes, but is not limited to, the purchasers and end users of Avigilon models 500GB-HD-NVRWS, 1.0TB-HD-NVRWS, 2.0TB-HD-NVRWS, and 3.0TB-HD-NVRWS NVR Workstations; and 2.5TB-HD-NVR, 5.0TB-HD-NVR, 10.0TB-HD-NVR and 15.0TB-HD-NVR NVR Servers.

DEMAND FOR JURY TRIAL

Canatelo demands a trial by jury of any and all causes of action.

PRAYER FOR RELIEF

WHEREFORE, Canatelo prays for the following relief:

That Defendant be adjudged to have infringed the ‘111 and ‘858 patents, directly and/or indirectly, by way of inducement and/or contributory infringement, literally and/or under the doctrine of equivalents;

That Defendant, its officers, directors, agents, servants, employees, attorneys, affiliates, divisions, branches, parents, and those persons in active concert or participation with any of them, be preliminarily and permanently restrained and enjoined from directly and/or indirectly infringing the ‘111 and ‘858 patents;

An award of damages pursuant to 35 U.S.C. §284 sufficient to compensate Canatelo for the Defendant’s past infringement and any continuing or future infringement up until the date that Defendant is finally and permanently enjoined from further infringement, including compensatory damages;

An assessment of pre-judgment and post-judgment interest and costs against Defendant, together with an award of such interest and costs, in accordance with 35 U.S.C. §284;

That Defendant be directed to pay enhanced damages, including Canatelo's attorneys' fees incurred in connection with this lawsuit pursuant to 35 U.S.C. §285; and

That Canatelo have such other and further relief as this Court may deem just and proper.

I HEREBY CERTIFY: that on this same date, copy of this motion was filed with the Clerk of the Court, using the CM/ECF System which will send notification of such filing to the attorneys of record.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 1st of March 2013.

Ferraiuoli LLC
221 Plaza, 5th Floor
221 Ponce de León Avenue
San Juan, PR 00917
Tel.: (787) 766-7000
Fax: (787) 766-7001

s/Eugenio J. Torres-Oyola
USDC PR No. 215505
etorres@ferraiuoli.com

s/Cristina Arenas-Solís
USDC PR No. 223511
carenas@ferraiuoli.com