

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**PIXMARX IP LLC,**

Plaintiff,

v.

**SNAP INC.,**

Defendant.

Case No. 3:20-cv-1157

PATENT CASE

JURY TRIAL DEMANDED

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**COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Pixmarx IP LLC (“Pixmarx” or “Plaintiff”) files this Complaint against Snap Inc. (“Snap” or “Defendant”) for infringement of U.S. Patent No. 9,477,689 (the “’689 patent”), U.S. Patent No. 9,792,662 (the “’662 patent”), U.S. Patent No. 10,102,601 (the “’601 patent”), and U.S. Patent No. 10,489,873 (the “’873 patent”). The ’689 patent, ’662 patent, ’601 patent, and ’873 patent are collectively referred to as the “Pixmarx patents,” “asserted patents,” or “patents-in-suit”.

**THE PARTIES**

1. Plaintiff is a Texas limited liability company with its principal place of business located at 312 W 8th Street, Dallas, Texas 75208.
2. Snap is a Delaware corporation with its principal place of business located at 2772 Donald Douglas Loop North, Santa Monica, California 90405.

**JURISDICTION AND VENUE**

3. Plaintiff brings this action for patent infringement under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284-285, among others. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), and 1367.

4. Defendant is subject to this Court's specific and general personal jurisdiction pursuant to due process, due at least to its substantial business in this State and judicial district, including: committing acts of infringement in this judicial district as described herein; and regularly conducting or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from goods and products sold and services provided to Texas residents.

5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1400(b). Defendant has a regular and established place of business in this judicial district. For example, Defendant has a regular and established place of business at 3102 Oak Lawn Avenue, Dallas, Texas 75219. In addition, Defendant has committed acts of infringement in this judicial district.

#### **THE PATENTS-IN-SUIT**

6. The '689 patent is entitled "Embedding Digital Content Within a Digital Photograph During Capture of the Digital Photograph." The '689 patent lawfully issued on October 25, 2016 and stems from U.S. Patent Application No. 14/251,707, which was filed on April 14, 2014. A copy of the '689 patent is attached hereto as Exhibit 1.

7. The '662 patent is entitled "Embedding Digital Content Within a Digital Photograph During Capture of the Digital Photograph." The '662 patent lawfully issued on October 17, 2017 and stems from U.S. Patent Application No. 15/275,166, which is a continuation of U.S. Patent Application No. 14/251,707 and was filed on September 23, 2016. A copy of the '662 patent is attached hereto as Exhibit 2.

8. The '601 patent is entitled "Embedding Digital Content Within a Digital Photograph During Capture of the Digital Photograph." The '601 patent lawfully issued on October 16, 2018 and stems from U.S. Patent Application No. 15/705,703, which is a

continuation of U.S. Patent Application No. 15/275,166 and was filed on September 15, 2017. A copy of the '601 patent is attached hereto as Exhibit 3.

9. The '873 patent is entitled "Embedding Digital Content Within a Digital Photograph During Capture of the Digital Photograph." The '873 patent lawfully issued on November 26, 2019 and stems from U.S. Patent Application No. 16/118,108, which is a continuation of U.S. Patent Application No. 15/705,703 and was filed on August 30, 2018. A copy of the '873 patent is attached hereto as Exhibit 4.

10. Plaintiff is the owner of the patents-in-suit with all substantial rights to the patents-in-suit including the exclusive right to enforce, sue, and recover damages for past and future infringement.

11. The named inventors on the patents-in-suit are Barry Crutchfield and Gary Lipps.

12. The patents-in-suit arose from Mr. Crutchfield's and Mr. Lipp's development of the Pixmarx application, an application that was first released on the Apple App Store in November 2013.

13. The patents-in-suit share a specification and claim priority to U.S. Provisional Patent Application Serial No. 61/966,161, which was filed on February 15, 2014.

14. The claims of the patents-in-suit are presumed valid.

15. The claims of the patents-in-suit are directed to patent eligible subject matter under 35 U.S.C. § 101. The claims of the patents-in-suit are not directed to an abstract idea, and the technologies claimed by the claims of the patents-in-suit consist of ordered combinations of features and functions that were not, alone or in combination, well-understood, routine, or conventional activities.

16. The specifications of the patents-in-suit disclose shortcomings in the prior art and then explain, in detail, the technical way the inventions claimed in the patents-in-suit resolve or overcome those shortcomings. *See, e.g.,* Ex. 4 ('873 patent), 7:7-50. For example, the patents-in-suit explain that a drawback to prior art approaches to enhancing digital photographs was that they required application of separate processes after taking a photograph (e.g., editing a label, border, or special effect into a photograph after the photograph is taken). *See* Ex. 4 ('873 patent), 2:9-16. The patents-in-suit provide the following solution to the address drawbacks arising from prior art systems and methods for enhancing digital photographs:

[E]mbodiments of the present invention are directed to displaying an embedded digital image (e.g., an electronic digital icon (e.g., watermark), picture, text, or the like) within an image viewing structure (e.g., eyepiece, visual display, or the like) of a digital imaging device prior to and during a photograph being taken using the digital imaging device. Accordingly, when a user of such a digital imaging device takes the photograph, as-viewed visual content seen within the image viewing structure (i.e., the embedded digital image overlaid on to-be-photographed visual content) is the same as what would be a corresponding outputted digital file of the imaging device. In this regard, the corresponding outputted digital file is a 'What You See Is What You Get (WYSIWYG)' representation of the as-viewed visual content within the image viewing structure of the imaging device when the to-be-photographed visual content is captured by the digital imaging device.

Ex. 4 ('873 patent), 2:28-45; *see also id* at 4:7-25. These solutions are reflected in the independent claims of the patents-in-suit. For example, claim 1 of the '873 patent requires (in part):

maintaining said embeddable content image in a static position in said image viewing structure when taking a captured image by the digital imaging device;

displaying in combination in said image viewing structure a combined visual image comprising:

said embeddable content image in said static position displayed as a mask over said captured image;

said captured image provided from said digital imaging device in real time when taken by the digital imaging device, the captured image selectively positioned relative to said embeddable content image . . . .

Claim 9 of the '601 patent requires (in part):

displaying in combination in said image viewing structure a combined visual image comprising:

a captured image provided from said digital imaging device in real time at a location of taking a photograph;

an embeddable content image provided by said wireless communication device, said embeddable content image displayed as a mask over said captured image, said embeddable content image maintained in a static position in said image viewing structure during the taking of the photograph . . . .

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