

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

CANON INC.,

Plaintiff,

v.

OPTIMUM IMAGING TECHNOLOGIES
LLC,

Defendant.

Civil Action No. 1:20-cv-1238

**CANON INC.'S COMPLAINT FOR DECLARATORY JUDGMENT OF
UNENFORCEABILITY**

Plaintiff Canon Inc. (“Canon”) hereby files this complaint for declaratory judgment of unenforceability as to U.S. Patent No. 10,873,685 (“the ’685 Patent”) against Defendant Optimum Imaging Technologies LLC (“OIT”), and in support of its complaint alleges as follows:

NATURE OF THE ACTION

1. This is an action arising under the patent laws of the United States, 35 U.S.C. § 1 *et. seq.* and the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, seeking a declaratory judgment of unenforceability of the ’685 Patent, together with such other relief as the Court deems just and proper.

2. A true and correct copy of the ’685 Patent is attached hereto as Exhibit A.

THE PARTIES

3. Canon is a corporation organized and existing under the laws of Japan. Its principal place of business is located at 30-2, Shimomaruko 3-chome, Ohta-ku, Tokyo 146-8501, Japan.

4. On information and belief, OIT is a limited liability company organized and existing under the laws of Texas, with a principal place of business located at 8701 Shoal Creek Blvd # 401, Austin, Texas 78757.

JURISDICTION AND VENUE

5. This Court has exclusive subject matter jurisdiction over this action pursuant to federal question jurisdiction, 28 U.S.C. §§ 1331 and 1338(a), the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, and the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

6. An actual and justiciable controversy exists between Canon and OIT of sufficient immediacy and reality to warrant a declaration of rights by this Court. As set forth herein, an actual case and controversy exists as to the alleged enforceability of the claims of the '685 Patent.

7. This Court has subject matter jurisdiction over this action based on a real and immediate controversy between Canon and OIT regarding whether the '685 Patent is unenforceable. As described in more detail below, this controversy arises out of OIT's infringement assertions against Canon with respect to patents related to the '685 Patent, where OIT has alleged that its patents cover technologies implemented by Canon's entire line of digital cameras and digital video cameras.

8. This Court has personal jurisdiction over OIT because, on information and belief, OIT is a Texas limited liability company with its principal place of business in Austin, Texas, and a registered agent with an address in Austin, Texas.

9. Venue is proper in this Court under 28 U.S.C. § 1391 because OIT has its principal place of business in this district and is subject to personal jurisdiction in this district.

FACTUAL BACKGROUND

10. The '685 Patent, titled "Digital Imaging System for Correcting Video Image Aberrations," issued on December 22, 2020. The '685 Patent has a filing date of December 2, 2012, and lists Neal Solomon as the sole inventor.

11. The '685 Patent issued from U.S. Patent Application No. 13/691,805 ("the '805 Application").

12. The '805 Application is a continuation of U.S. Patent Application No. 12/586,221, filed on September 18, 2009, which issued as U.S. Patent No. 8,451,339 ("the '339 Patent"), which itself is a continuation of U.S. Patent Application No. 11/825,521, filed on July 6, 2007, which issued as U.S. Patent No. 7,612,805 ("the '805 Patent").

13. Each of the '685 Patent, '805 Patent, and '339 Patent purport to claim priority to U.S. Provisional Patent Application No. 60/807,065, filed on July 11, 2006.

14. On information and belief, OIT is the sole assignee of the '685 Patent.

15. OIT claims to own both the '339 and '805 Patents as well. *See Optimum Imaging Technologies LLC v. Canon Inc.*, E.D. Tex. Case No. 2:19-cv-00246-JRG, D.I. 1 at ¶ 13.

16. The '805 Patent, titled "Digital Imaging System and Methods For Selective Image Filtration," issued on November 3, 2009. The '805 Patent lists Neal Solomon as the sole inventor.

17. The '339 Patent, titled "Digital Imaging System for Correcting Image Aberrations," issued on May 28, 2013. The '339 Patent also lists Neal Solomon as the sole inventor.

18. Each of the '685 Patent, '805 Patent, and '339 Patent share a common specification.

19. The '685 Patent and '339 Patent also share a common abstract:

A system is disclosed for the automated correction of optical and digital aberrations in a digital imaging system. The system includes (a) digital filters, (b) hardware modifications and (c) digital system corrections. The system solves numerous problems in still and video photography that are presented in the digital imaging environment.

20. The claims of the '685, '805, and '339 Patents relate generally to aberration correction in digital imaging and/or video systems.

21. On July 8, 2019, OIT filed a complaint against Canon alleging infringement of the '805 and '339 Patents. *See Optimum Imaging Technologies LLC v. Canon Inc.*, E.D. Tex. Case No. 2:19-cv-00246-JRG, D.I. 1. In this litigation (“the E.D. Tex. litigation”), OIT has asserted that Canon’s entire line of digital still cameras and digital video cameras infringe the '805 and '339 Patents due to their incorporation of in-camera aberration correction technology. *See Optimum Imaging Technologies LLC v. Canon Inc.*, E.D. Tex. Case No. 2:19-cv-00246-JRG, D.I. 1 at ¶¶ 19-20.

22. The first Canon digital still cameras and digital video cameras with in-camera aberration correction functionality—namely, the PowerShot SD300 Digital ELPH, PowerShot SD200 Digital ELPH, and ZR80, ZR85, and ZR90—were first sold in the United States in 2004. Canon digital still cameras and digital video cameras with in-camera aberration correction functionality remain available for sale in the United States to this day.

23. There are 150+ Canon products at issue in the E.D. Tex. litigation, including Canon digital still cameras that include DIGIC 4, DIGIC 4+, DIGIC 5, DIGIC 5+, DIGIC 6, DIGIC 6+, DIGIC 7, and DIGIC 8 imaging engines, and Canon digital video cameras that include DIGIC DV III, DIGIC DV 4, DIGIC DV 5, DIGIC DV 6, and DIGIC DV 7 imaging

engines. See *Optimum Imaging Technologies LLC v. Canon Inc.*, E.D. Tex. Case No. 2:19-cv-00246-JRG, D.I. 163 at 6.

24. Each independent claim of the '685 Patent requires “a digital video camera,” and OIT’s litigation assertions against Canon with respect to the '805 and '339 Patents demonstrate OIT’s intent to enforce the '685 Patent against, at least, Canon’s digital video camera products that include any of the DIGIC DV III, DIGIC DV 4, DIGIC DV 5, DIGIC DV 6, and DIGIC DV 7 imaging engines (“Canon Digital Video Camera Products”).

25. The Canon Digital Video Camera Products include, at minimum, the VIXIA HF G60, XA55, XA50, XA45, XA40, VIXIA HF G50, XF705, XA15, XA11, VIXIA HF G21, XF405, XF400, VIXIA GX10, VIXIA HF R82, VIXIA HF R800, VIXIA HF R80, XC15, ME200S-SH, VIXIA HF R72, VIXIA HF R700, VIXIA HF R70, VIXIA HF G40, ME20F-SH, XC10, VIXIA mini X, VIXIA HF G20, EOS C700 FF, EOS C700 FF PL, EOS C500 Mark II, EOS C700, EOS C700 PL, EOS C700 GS PL, EOS C300 Mark II, EOS C300 Mark II PL, EOS C200, EOS C200B, and EOS C100 Mark II.

26. The foregoing facts and circumstances give rise to a reasonable apprehension of litigation on the part of Canon. There is now existing an actual, substantial justiciable controversy between the parties with respect to the '685 Patent.

COUNT I

(Declaratory Judgment of Unenforceability of the '685 Patent Due to Inequitable Conduct)

27. Canon incorporates by reference the allegations in paragraphs 1 through 26 as though fully set forth herein.

28. An actual and justiciable controversy exists between Canon and OIT concerning the '685 Patent.

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