

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

DIATEK LICENSING LLC,

Plaintiff,

v.

LEGO SYSTEM A/S,

Defendant.

CIVIL ACTION

NO. 6:22-cv-1019

Jury Trial Demanded

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Diatek Licensing LLC (“Plaintiff”) files this Complaint for Patent Infringement against Defendant, and states as follows:

THE PARTIES

1. Plaintiff is a limited liability company organized and existing under the laws of the State of Texas, having its principal office at 3571 Far West Blvd, #3406, Austin, TX 78731.
2. Defendant LEGO System A/S (“Defendant”) is a corporation organized under the laws of Denmark and having a place of business at Aastvej 1, DK-7190 Billund, Denmark.

JURISDICTION AND VENUE

3. This Court has exclusive subject matter jurisdiction over this case pursuant to 28 U.S.C. §§ 1331 and 1338(a) on the grounds that this action arises under the Patent Laws of the United States, 35 U.S.C. § 1 et seq., including, without limitation, 35 U.S.C. §§ 271, 281, 284, and 285.
4. This Court has personal jurisdiction over Defendant, consistent with due process. On information and belief, Defendant has minimum contacts with the State of Texas, and Defendant has purposefully availed itself of the privileges of conducting business in the State of

Texas. On information and belief, Defendant has engaged in systematic and continuous business activities in this District. On information and belief, Defendant is registered to business in this State and has committed acts of patent infringement giving rise to this action within this District.

5. Venue is proper in this District under 28 U.S.C. § 1391(c) because Defendant is a foreign corporation.

FACTUAL BACKGROUND

U.S. Patent No. 7,079,752

6. Plaintiff is the owner by assignment of all right, title, and interest in and to United States Patent No. 7,079,752, entitled “Process for Recording a Scrambled MPEG Stream” (“the ’752 patent”), including the right to sue for all past, present, and future infringement, which assignment was duly recorded in the USPTO.

7. A true and correct copy of the ’752 patent is attached hereto as Exhibit A. The ’752 patent is incorporated herein by reference.

8. A true and correct copy of the prosecution history for the ’752 patent is attached hereto as Exhibit B and is incorporated herein by reference.

9. The application that became the ’752 patent was filed on November 20, 2000.

10. The ’752 patent issued on July 18, 2006, after a full and fair examination by the USPTO.

11. The ’752 patent is, and is legally presumed to be, valid, enforceable and directed to patent-eligible subject matter.

12. The elements recited in the asserted claims of the ’752 patent were not well-understood, routine, or conventional when the application that became the ’752 patent was filed. The United States Patent & Trademark Office determined that the claims of the ’752 patent were allowable over the prior art of record after a full and fair examination.

13. The claims of the '752 patent, including claims 1 and 15, are directed to technical solutions to technical problems involved in allowing the use of trick mode when reading audio-video data recorded in scrambled form.

14. The '752 patent states that the field of the invention “relates to a process for recording on a recording medium, for example a hard disk, a scrambled audio video digital data stream, for example an MPEG type stream.” '752 patent at 1:6-9. The '752 patent further describes that the invention “also relates to the process for implementing the special mode or ‘trick mode’ function (fast forward, fast rewind, accelerated motion, slow motion, etc.) on the basis of the reading of data stored on a recording medium which consists in reading additional data from the recording medium which includes information required by the special mode and in then reading the data of the medium as a function of these additional data. These data are, for example, pointers to the start of images and to the types of images.” '752 patent at 6:34-42.

15. The '752 patent goes on to state that “[t]he storage of data in scrambled form is currently developing rapidly. For example, the audio video digital data transmitted in compressed and scrambled form are generally recorded in this form so as to control access to these data. They are therefore descrambled only when the corresponding images are viewed. Another example relates to the 1394 digital bus, solutions envisaged within the framework of the exploitation of this digital bus being the transmission of digital data in scrambled form and hence their storage in this form.” '752 patent at 1:13-22.

16. The '752 patent identifies a problem that existed in the art prior to the filing of the application leading to the issuance of the '752 patent: “A problem connected with this recording of digital video data streams in scrambled form relates to the exploitation of particular modes of reading or special modes referred to hereinafter as the ‘trick mode’, using the terminology of the

MPEG standard, this term encompassing among other things the following functions: fast forward, fast rewind, slow motion, accelerated motion, freeze frame. These functions actually require access and fast decoding of these recorded data, conditions which are difficult to make compatible with recording in scrambled mode.” ’752 patent at 1:23-32.

17. The ’752 patent also states that “[t]he aim of the invention is to alleviate the aforesaid drawbacks.” ’752 patent at 1:36-37.

18. The ’752 patent states that the subject of the invention that alleviates the aforesaid drawbacks involves “a process for recording, on a recording medium, a scrambled MPEG stream, characterized in that the scrambled data of the stream are, in parallel with their recording, descrambled so as to extract therefrom additional data corresponding to information required by at least one function of the special mode or ‘trick mode’ (fast forward, fast rewind, accelerated motion, slow motion, etc.) and in that these additional data are also recorded on the recording medium.” ’752 patent at 1:38-46. The ’752 patent also states that one embodiment of the invention involves “a recording medium, characterized in that it contains the data of a scrambled MPEG stream as well as additional data relating to the video data of the stream for the operation of the special mode or ‘trick mode’.” ’752 patent at 1:49-53.

19. The ’752 patent states that the additional data can be, for example, “the pointers and the size of images.” ’752 patent at 1:47-48.

20. The ’752 patent further describes the technical problem addressed by the technical solution provided by the disclosed and claimed invention: “By virtue of the invention, the information required by the special modes are directly exploitable without it being necessary to descramble the recorded data in order to retrieve or calculate this information, thus allowing a fast response to the commands of the operator.” ’752 patent at 2:21-25.

21. The '752 patent further describes the technical solution provided by the disclosed and claimed invention in this way: “The main advantage of the invention is that it allows the use of the trick mode when reading audio and video data recorded in scrambled form.” '752 patent at 2:26-28.

22. The '752 patent explains embodiments for performing the claimed method, including in the section of the '752 patent titled, “Detailed Description of the Preferred Embodiments.” *See, e.g.*, '752 patent at 2:30-40; 2:45-5:35; Figs. 1 & 2.

23. For example, Figures 1 and 2 of the '752 patent, along with the accompanying description in the specification, describe embodiments for practicing the disclosed and claimed invention. '752 patent at 2:30-40; 2:45-5:35; Figs. 1 & 2.

24. The '752 patent also describes additional embodiments of the disclosed invention. *See* '752 patent at 5:44-6:47.

25. For example, the '752 patent describes one embodiment for extracting information, “referred to as ancillary data or additional data, required for the operation of the ‘trick mode’. This information may, among other things, be the size of the images, the pointers defining the image starts, the image types, etc.” '752 patent at 3:14-20.

26. In accordance with this particular embodiment, the '752 patent describes that, “These data are organized so as to construct, during step **5**, a file accompanying the audio video file consisting of the recorded scrambled data relating to the partial stream. The next step **6** consists in recording this accompanying file on the medium. It may also involve the construction of a succession of files, the data relating to the ‘trick mode’ then being recorded in tandem with the recording of the scrambled data.” '752 patent at 3:20-28.

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