

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

AIDO LLC)	
)	
Plaintiff,)	
)	Civil Action No. _____
v.)	
)	JURY TRIAL DEMANDED
PANASONIC CORPORATION OF)	
NORTH AMERICA)	
)	
Defendant.)	
_____)	

COMPLAINT

For its Complaint, Plaintiff Aido LLC ("Aido"), by and through the undersigned counsel, alleges as follows:

THE PARTIES

1. Aido is a Texas limited liability company with a place of business located at 1400 Preston Road, Suite 400, Plano, Texas 75093.
2. Defendant Panasonic Corporation of North America is a Delaware company, with, upon information and belief, a place of business located at Two Riverfront Plaza, 828 McCarter Highway, Newark, New Jersey 07102.
3. On April 17, 2019, Aido's licensing agent sent via e-mail correspondence to Defendant's Chief Intellectual Property Counsel informing Defendant of the patents-in-suit.

JURISDICTION AND VENUE

4. This action arises under the Patent Act, 35 U.S.C. § 1 *et seq.*
5. Subject matter jurisdiction is proper in this Court under 28 U.S.C. §§ 1331 and 1338.
6. Upon information and belief, Defendant conducts substantial business in this

forum, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals in this district.

7. Venue is proper in this district pursuant to § 1400(b).

THE PATENTS-IN-SUIT

8. On September 11, 2007, U.S. Patent No. 7,269,785 (the "'785 patent"), entitled "Digital Manipulation of Video in Digital Video Player," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '785 patent is attached hereto as Exhibit A.

9. On April 30, 2002, U.S. Patent No. 6,381,314 (the "'314 patent"), entitled "Internet Audio Channel Selection System," was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the '314 patent is attached hereto as Exhibit B.

10. Aido is the assignee and owner of the right, title and interest in and to the '785 and '314 patents, including the right to assert all causes of action arising under said patents and the right to any remedies for infringement of them.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 7,269,785

11. Aido repeats and realleges the allegations of paragraphs 1 through 10 as if fully set forth herein.

12. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant has infringed and continues to infringe at least claims 1 and 8 of the '785 patent by making, using, importing, offering for sale, and/or selling methods, products and systems for enhancing a selected digital video frame, or a portion thereof, including, but not limited to, DVDS52, DVD-

S500, DVD-S700, DP-UB820, DMP-BDT310, DMP-BDT215, DMP-BDT210, DMP-BDT110, DMP-BDT270, DMP-BDT170, DMP-BDT166, DMP-BDT165, DMP-BD83, DMP-BD73, DMP-BDT330, DMP-BDT230, SC-XH105, SC-XH170, SC-PT760, SC-PT960, SC-PT954, SC-PT950, SC-PT1050, SC-PT953, SC-PT750, SC-PT753, SC-XH50, DX900 Series, DX740 Series, DX700 Series, DX640 Series, DX600 Series, DS630 Series, DS610 Series, DS500 Series, CS600Z Series, CS610Z Series, CS650Z Series, CX610Z Series, CX640Z Series, CX700Z Series, CX800Z Series, X940Z Series, AX900 Series, AX800 Series, AX670 Series, AS800 Series, AS700 Series, AS670 Series, AS640 Series, AS630 Series, AS610 Series, ST60Z Series, VT60Z Series, E6Z Series, ET60Z Series, DT60Z Series, WT60Z Series, WT600Z Series, E5Z Series, ET5Z Series, ET50Z Series, DT50Z Series, WT50Z Series, UT50Z Series, ST50Z Series, GT50Z Series, and VT50Z Series (collectively, the "Accused Devices") and Panasonic security systems that include Visibility Enhancement Software ("Accused Security Devices"), because each and every element is met either literally or equivalently.

13. Upon information and belief, Defendant used the Accused Devices via its internal use and testing in the United States, directly infringing one or more claims of the '785 patent.

14. More specifically and upon information and belief, the Accused Devices enhance a selected digital video frame, or a portion thereof, included in a single layer digital video stream.

15. The Accused Devices convert video recordings to high definition video by selecting from the single layer digital video stream, a particular one of the digital video frames for enhancement

Picture Menu	
Picture Mode	<p>Normal: Normal images Cinema1: Mellows images and enhances detail in dark scenes. Cinema2: Sharpens images and enhances detail in dark scenes. Animation: Suitable for animation Dynamic: Enhances the contrast for powerful images. User (Press [ENTER] to select "Picture Adjustment") (→ below)</p>
	<p>Picture Adjustment Contrast: Increases the contrast between light and dark parts of the picture (-7 to +7). Brightness: Brightens the picture (0 to +15). Sharpness: Adjusts the sharpness of the edges of the horizontal lines (-7 to +7). Color: Adjust the shade of the picture's color (-7 to +7). Gamma : Adjusts the brightness of dark parts (0 to +5). Depth Enhancer : Reduce the rough noise in the background to give a greater feeling of depth (0 to +4). MPEG DNR: Smooths block noise and reduces the smudging that appears around contrasting sections of the picture (0 to +3).</p>
Video Output Mode	<p>With HDMI connection (When "Video Output" is set to "On") (→ page 20, "HDMI" tab) Video recordings will be converted to, and output as, high definition video. The picture quality will vary depending on the connected equipment. Choose the picture quality to your preference. 480p (progressive) 720p (progressive) 1080i (interlace) ● "*" will be displayed next to those video outputs possible with the connected equipment. Selecting an item without "*" can result in the picture being distorted. Should the picture be distorted, press and hold [CANCEL] until the picture is displayed correctly. The setting will return to "480p". ● Output from the COMPONENT VIDEO OUT terminal will be "480p".</p>
	<p>With HDMI connection (When "Video Output" is set to "Off") (→ page 20, "HDMI" tab) or other connections 480i (interlace) 480p (progressive) When you select "480p" and a confirmation screen appears, select "Yes" only if connecting to a progressive output compatible television.</p>

Operating Instructions ("Operating Instructions") at p. 17 (available at ftp://ftp.panasonic.com/dvdplayer/om/dvd-s52_en_om.pdf).

16. The Accused Devices select from the single layer digital video stream from which the particular one of the digital video frames for enhancement was selected, any others of the digital video frames.

about progressive scan

Progressive scanning, otherwise known as 480P (p=progressive), creates a picture signal with double the scan lines of a conventional interlaced picture, 480I (I=interlaced), to create a noticeably sharper image. The 480P image offers higher picture resolution and eliminates virtually all motion artifacts. Even on large screens, the progressive scan lines are barely noticeable and picture flickering is greatly reduced, so you can enjoy extended viewing without eye fatigue. Our progressive scan DVD players can handle both progressive and conventional interlaced video.

In order to take advantage of a progressive scan DVD player, your TV must be capable of accepting and displaying a progressive scan signal (480p).

The Benefits of Progressive Vs. Interlaced Scanning

Standard DVD-Video players use interlaced scanning to produce a picture. Interlaced scanning combines two fields to generate a picture of 525 scan lines (480 of which are displayed). Your television projects an interlaced image by first scanning the 240 odd-numbered lines of one field (in 1/60th of a second), followed by the 240 even-numbered lines of the other field (in 1/60th of a second). So, it takes two fields to build one frame of video.



Interlace scanning first scans the odd-numbered lines in 1/60th of a second...



...followed by the even-numbered lines in the next 1/60th of a second.



Progressive scanning the entire picture in 1/60th of a second.

Our progressive scan DVD players have a progressive video processor, which enables all 525 lines (480 of which are displayed) to be scanned at the exact same time; two interlaced fields are combined into one progressive frame. A television with 480P component inputs can completely scan the entire image in 1/60th of a second. The result is a smoother and sharper picture with high resolution and minimal motion artifacts.

Panasonic Progressive Scan Explained ("Progressive Scan Explained") (available at https://content.abt.com/documents/10928/Panasonic_ProgressiveScanExplained.pdf).

17. The Accused Devices enhance the video quality of the selected digital video frame by incorporating information included in the other digital video frames into the blocks of

the particular digital video frame, and display the enhanced digital video frame without reference to the other digital video frames.

Picture Menu	
Picture Mode	<p>Normal: Normal images</p> <p>Cinema1: Mellows images and enhances detail in dark scenes.</p> <p>Cinema2: Sharpens images and enhances detail in dark scenes.</p> <p>Animation: Suitable for animation</p> <p>Dynamic: Enhances the contrast for powerful images.</p> <p>User (Press [ENTER] to select "Picture Adjustment") (→ below)</p>
	<p>Picture Adjustment</p> <p>Contrast: Increases the contrast between light and dark parts of the picture (-7 to +7).</p> <p>Brightness: Brightens the picture (0 to +15).</p> <p>Sharpness: Adjusts the sharpness of the edges of the horizontal lines (-7 to +7).</p> <p>Color: Adjust the shade of the picture's color (-7 to +7).</p> <p>Gamma : Adjusts the brightness of dark parts (0 to +5).</p> <p>Depth Enhancer : Reduce the rough noise in the background to give a greater feeling of depth (0 to +4).</p> <p>MPEG DNR: Smooths block noise and reduces the smudging that appears around contrasting sections of the picture (0 to +3).</p>
Video Output Mode	<p>With HDMI connection (When "Video Output" is set to "On") (→ page 20, "HDMI" tab)</p> <p>Video recordings will be converted to, and output as, high definition video. The picture quality will vary depending on the connected equipment. Choose the picture quality to your preference.</p> <p>480p (progressive) 720p (progressive) 1080i (interlace)</p> <p>● "*" will be displayed next to those video outputs possible with the connected equipment. Selecting an item without "*" can result in the picture being distorted.</p> <p>Should the picture be distorted, press and hold [CANCEL] until the picture is displayed correctly.</p> <p>The setting will return to "480p".</p> <p>● Output from the COMPONENT VIDEO OUT terminal will be "480p".</p> <p>With HDMI connection (When "Video Output" is set to "Off") (→ page 20, "HDMI" tab) or other connections</p> <p>480i (interlace) 480p (progressive)</p> <p>When you select "480p" and a confirmation screen appears, select "Yes" only if connecting to a progressive output compatible television.</p>

Operating Instructions at p. 17

about progressive scan

Progressive scanning, otherwise known as 480P (p=progressive), creates a picture signal with double the scan lines of a conventional interlaced picture, 480I (I=interlaced), to create a noticeably sharper image. The 480P image offers higher picture resolution and eliminates virtually all motion artifacts. Even on large screens, the progressive scan lines are barely noticeable and picture flickering is greatly reduced, so you can enjoy extended viewing without eye fatigue. Our progressive scan DVD players can handle both progressive and conventional interlaced video.

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Standard DVD-Video players use interlaced scanning to produce a picture. Interlaced scanning combines two fields to generate a picture of 525 scan lines (480 of which are displayed). Your television projects an interlaced image by first scanning the 240 odd-numbered lines of one field (in 1/60th of a second), followed by the 240 even-numbered lines of the other field (in 1/60th of a second). So, it takes two fields to build one frame of video.



Interlace scanning first scans the odd-numbered lines in 1/60th of a second...



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Panasonic Progressive Scan Explained.

18. Upon information and belief, Defendant used the Accused Security Devices via its internal use and testing in the United States, directly infringing one or more claims of the '785 patent.

19. More specifically and upon information and belief, the Accused Security Devices enhance a selected digital video frame, or a portion thereof, included in a single layer digital video stream.

Panasonic Visibility Enhancement Software is provided as easy-to-use extension software of the WV- ASM200 i-Pro Management Software.



Figure 3: System configuration example of Panasonic Visibility Enhancement Software.

White Paper: In Search of Better Visibility at p. 5 ("White Paper") (available at https://www.security.us.panasonic.com/docs/In_search_of_better_visibility_en.pdf).

3.2. Visibility Enhancement Software

Snowflakes in the air obscure objects but it is possible to see objects through a certain degree of snow. Because snowflakes are moving, a camera can capture the object behind snowflakes little by little. By picking up small fractions of the object from a series of images and putting together into one picture, the object becomes visible to the human eye.

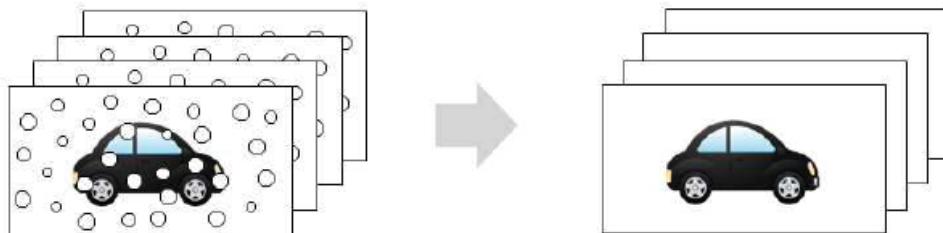


Figure 2: Above Illustration shows a concept of Panasonic Visibility Enhancement Software. A car behind snowflakes becomes visible by piling fractions from a series of images.

Id. at p. 4.

20. The Accused Security Devices include computer code for selecting from the single layer digital video stream, a particular one of the digital video frames for enhancement.

3.2. Visibility Enhancement Software

Snowflakes in the air obscure objects but it is possible to see objects through a certain degree of snow. Because snowflakes are moving, a camera can capture the object behind snowflakes little by little. By picking up small fractions of the object from a series of images and putting together into one picture, the object becomes visible to the human eye.

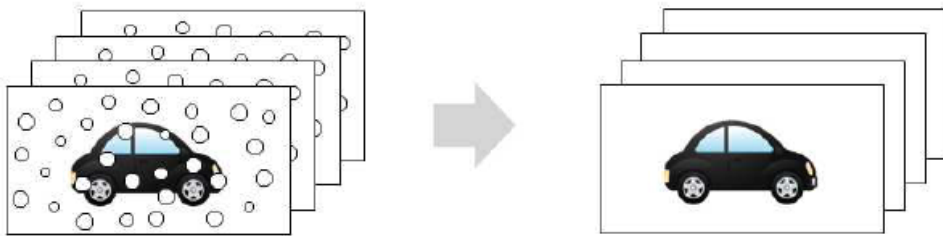


Figure 2: Above Illustration shows a concept of Panasonic Visibility Enhancement Software. A car behind snowflakes becomes visible by piling fractions from a series of images.

Id. at p. 4.

21. The Accused Security Devices include computer code for selecting from the single layer digital video stream from which the particular one of the digital video frames for enhancement was selected, any others of the digital video frames.

3.2. Visibility Enhancement Software

Snowflakes in the air obscure objects but it is possible to see objects through a certain degree of snow. Because snowflakes are moving, a camera can capture the object behind snowflakes little by little. By picking up small fractions of the object from a series of images and putting together into one picture, the object becomes visible to the human eye.

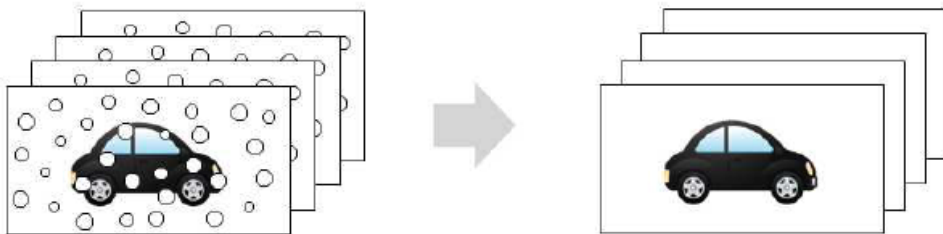


Figure 2: Above Illustration shows a concept of Panasonic Visibility Enhancement Software. A car behind snowflakes becomes visible by piling fractions from a series of images.

Id.

22. The Accused Security Devices include computer code for enhancing the video quality of the selected digital video frame by incorporating information included in the other digital video frames into the particular digital video frame;

3.2. Visibility Enhancement Software

Snowflakes in the air obscure objects but it is possible to see objects through a certain degree of snow. Because snowflakes are moving, a camera can capture the object behind snowflakes little by little. By picking up small fractions of the object from a series of images and putting together into one picture, the object becomes visible to the human eye.

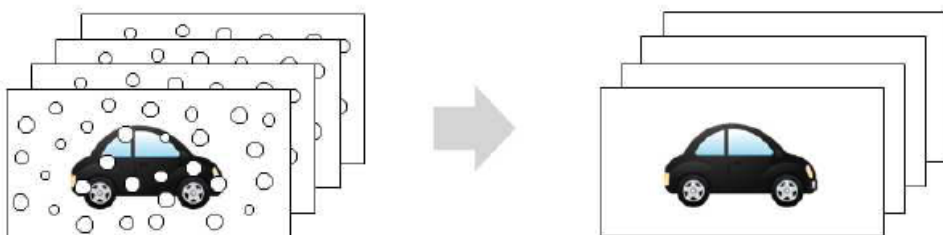


Figure 2: Above Illustration shows a concept of Panasonic Visibility Enhancement Software. A car behind snowflakes becomes visible by piling fractions from a series of images.

Id.

23. The Accused Security Devices include computer code for displaying the enhanced digital video frame without reference to the other digital video frames.

Panasonic Visibility Enhancement Software is provided as easy-to-use extension software of the WV- ASM200 i-Pro Management Software.



Figure 3: System configuration example of Panasonic Visibility Enhancement Software.

Id. at p. 5.

3.2. Visibility Enhancement Software

Snowflakes in the air obscure objects but it is possible to see objects through a certain degree of snow. Because snowflakes are moving, a camera can capture the object behind snowflakes little by little. By picking up small fractions of the object from a series of images and putting together into one picture, the object becomes visible to the human eye.

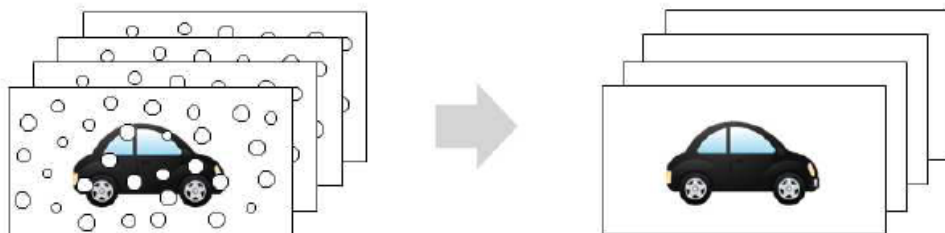


Figure 2: Above Illustration shows a concept of Panasonic Visibility Enhancement Software. A car behind snowflakes becomes visible by piling fractions from a series of images.

Id. at p. 4.

24. The Accused Security Devices include a computer readable medium for storing the computer code.

Panasonic Visibility Enhancement Software is provided as easy-to-use extension software of the WV- ASM200 i-Pro Management Software.



Figure 3: System configuration example of Panasonic Visibility Enhancement Software.

Id. at p. 5.

25. Aido is entitled to recover from Defendant the damages sustained by Aido as a result of Defendant's infringement of the '785 patent in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

COUNT II – INFRINGEMENT OF U.S. PATENT NO. 6,381,314

26. Aido repeats and realleges the allegations of paragraphs 1 through 25 as if fully set forth herein.

27. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant has infringed and continues to infringe at least claim 1 of the '314 patent by making, using, importing, offering for sale, and/or selling Internet audio network channel selection systems, including, but not limited to Smart TVs, including, but not limited to, DX900 Series, DX740 Series, DX700 Series, DX640 Series, DX600 Series, DS630 Series, DS610 Series, DS500 Series, CS600Z Series, CS610Z Series, CS650Z Series, CX610Z Series, CX640Z Series, CX700Z Series, CX800Z Series, X940Z Series, AX900 Series, AX800 Series, AX670 Series, AS800 Series, AS700 Series, AS670 Series, AS640 Series, AS630 Series, AS610 Series, ST60Z Series, VT60Z Series, E6Z Series, ET60Z Series, DT60Z Series, WT60Z Series, WT600Z Series, E5Z Series, ET5Z Series, ET50Z Series, DT50Z Series, WT50Z Series, UT50Z Series, ST50Z Series, GT50Z Series, and VT50Z Series (collectively, the "Accused TVs").

28. Upon information and belief, Defendant used the Accused TVs via its internal use and testing in the United States, directly infringing one or more claims of the '314 patent.

29. For example, to create its guide entitled "How to set up Netflix on your Panasonic Smart TV" (available at <https://www.panasonic.com/nz/consumer/televisions/televisions-learn/be-smart/netflix-faqs.html>), Defendant used the Accused TVs, directly infringing one or more claims of the '314 patent.

30. More specifically, the Accused TVs come with preinstalled Internet streaming apps like Netflix. *See id.* The system formed works as an Internet audio network channel selection system as required by the claim. The Accused TVs are an Internet-connected smart TV with Netflix App provides a streaming service that allows users to watch a wide variety of TV shows, movies, documentaries, and more. The content thus streamed includes audio, along with video and subtitles (if available). *See* <https://www.panasonic.com/nz/consumer/televisions/televisions-learn/be-smart/netflix-faqs.html>.

31. The Accused TVs include a remote control (audio network channel selection device) that allows user to access the Netflix App directly by selecting the "'Apps' or 'Netflix' button on your Panasonic Smart TV remote control." *Id.*

32. The user can thus access an online library of content available for streaming via Internet. The user can then select specific content (audio network channel) to watch from a list of contents (available Netflix programs). *See* <https://www.panasonic.com/nz/consumer/televisions/televisions-learn/be-smart/how-to-set-up-netflix-on-your-panasonic-smart-tv.html>. The content includes embedded video, audio and subtitles (if available).

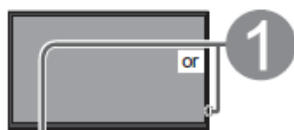
33. The Accused TVs include a housing that accommodates an electronic display that provides a list of available Netflix programs (audio channel selection information) from which the user can select one (an audio network channel) to watch. *See id.*

34. The Accused TVs can be connected to the Internet using a wired or wireless connection (at least one input interface) like WiFi to access online content via streaming apps like the Netflix App (communicating with the Internet).

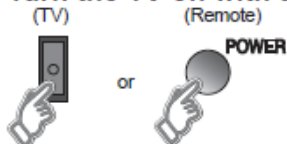
First Time Setup

The first time setup screen is displayed only when the TV is turned on for the first time, after the power cord is inserted into a wall outlet and the "Auto power on" is set to "No".

(Press MENU → Setup → Advanced setup → Auto power on)



1 Turn the TV on with the POWER button



2 Setup the following items

- **Select your language**
- **Select your country**
- **Select your viewing mode (Be sure to select "Home Use")**
 If you select "Store Demonstration" by mistake, confirmation screen will be displayed. To display the "Set viewing mode" screen again and select "Home Use", do one of the following:
 - Press and hold down the rear POWER button for at least five seconds.
 - Unplug power cord for 30 seconds and plug in again.
- **ANT/Cable setup**
 Select and set the settings according to your ANT/Cable environment. Select "Yes" on the confirmation screen, to start the scanning process. After scanning is finished completely, press OK to continue.
- **Label the inputs for easy identification**
 To name each input, follow the instructions on screen. When this is done, select NEXT and press OK to go to the next step.
- **Configure Network settings**
 Select the Network type and select the setting mode. If you select "Wireless (WiFi)", start "Wireless network settings". Select "Automatic" or set "Manual" setting, start connection test. When you complete "Network settings" successfully, the completion screen will be displayed.
- **Adjust the Clock**
 Select the clock mode and set other settings. When "Auto" is selected, clock will be set automatically according to Time zone and DST.
- **Pair the Touch Pad Controller**
 To pair the Touch Pad Controller, hold the touch pad within 1.6 feet (50 cm) of the TV and simultaneously press and hold the Right button and INTERNET button on the Touch Pad Controller following the instructions on screen. Then, follow the instructions on screen to complete the pairing. When you complete this setting successfully, the completion message will be displayed. It also displays some operation methods such as Tap, Swipe and Trace the fringe to scroll, etc. Tap (or press OK) to continue to next step.
 - To repeat these settings: Setup → VIERA Touch Pad settings

3 Complete First time setup

Completion screen is displayed.

You can repeat the First time setup

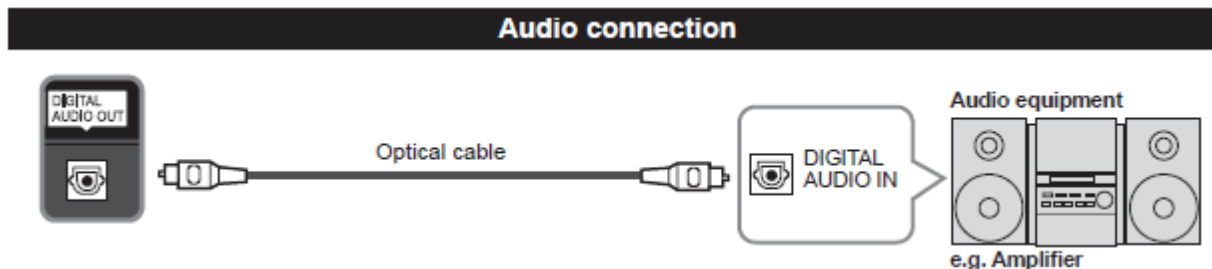
- Press MENU → Setup → First time setup

To watch TV via a Cable box, Satellite receiver, or any other source (DVD, DVR, gaming device, etc.), press the INPUT button and select the appropriate input.

Panasonic does not guarantee operation and performance of peripheral devices made by other manufacturers; and we disclaim any liability or damage arising from operation and/or performance from usage of such other maker's peripheral devices.

See Owner's Manual ("Viera Owner's Manual") at p. 17 (ftp://ftp.panasonic.com/television/om/tc-p55vt50_en_om.pdf).

35. The Accused TVs have at least one output interface for communicating with at least one audio processing device. As can be seen in the image below, there is an "AUDIO OUT" port in the Accused TVs.



Id. at p. 13.

36. A processor chip (a microprocessor) is embedded within the Accused TVs and communicates to the display using display control circuitry. Upon information and belief, the processor chip is also connected to the input interface and audio output port (e.g., output interface) to communicate with them. The Accused TVs on screen interface displays a list of Netflix streaming program contents (e.g., audio network channel selection information) to watch. After selecting one of a program content or title, it starts streaming online (e.g., audio network channel transmission) and a user can hear audio corresponding to that content from the stereo audio output (e.g., directing network channel transmission to at least one audio processing device). See, e.g., <https://www.panasonic.com/nz/consumer/televisions/televisions-learn/be-smart/how-to-set-up-netflix-on-your-panasonic-smart-tv.html>.

37. Netflix (e.g., a network server) is an online streaming service and the Accused TVs allow users to access Netflix online movies and TV shows after connecting via an Internet network. After accessing the Netflix App via the Accused TVs, the Accused TVs automatically

display a list of movies and TV shows (e.g., audio network channel selection information) available to watch. The Accused TVs receive and download selected content (e.g., selected network audio channel) from the Netflix online network to provide continuous streaming service after selecting content to watch from the Netflix App.

38. Aido is entitled to recover from Defendant the damages sustained by Plaintiff as a result of Defendant's infringement of the '314 patent in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

WILLFULNESS AND INDIRECT INFRINGEMENT

39. Aido repeats and realleges the allegations of paragraphs 1 through 38 as if fully set forth herein.

40. Defendant has been on notice of the '785 and '314 patents since, at the latest, its receipt of Aido's licensing agent's e-mail dated April 17, 2019.

41. Upon information and belief, Defendant has not altered its infringing conduct after receiving the April 17, 2019 e-mail.

42. Upon information and belief, Defendant's continued infringement despite its knowledge of the '785 and '314 patents has been objectively reckless and willful.

43. In particular, Defendant's customers' and end-users' use of Defendant's products and services described above in this Complaint, is facilitated by the use of technology patented under the '785 or '314 patents. Thus, Defendant's customers and end-users are able to upconvert or enhance video or use Internet audio network channel selection systems when using such products or services.

44. On information and belief, in order to generate profits and revenues, Defendant

markets and promotes, e.g., through its website and sales personnel, the use of its products and services that infringe the '785 and/or '314 patents when used as intended by Defendant's customers and end-users. Defendant's customers and end-users use such products and services. Defendant further instructs its customers and end-users how to use such products and services in a manner that infringe the '785 and/or '314 patents (e.g., through on-line technical documentation, instructions, and technical support). Defendant further instructs its customers and end-users to infringe the '785 and/or '314 patents through the products and services themselves, e.g., through product manuals, user guides, on-line instructions and intuitive user interfaces.

45. In particular, Defendant instructs its customers and end-users through at least product manuals, user guides, on-line support instructions and documentation over the Internet how to upconvert or enhance video or use Internet audio network channel selection systems when using the Accused Devices, Accused Security Devices and/or Accused TVs.

46. Defendant still further makes such products and services accessible to its customers and end-users, thus enabling and encouraging its customers and end-users to use such products and services to infringe the '785 and '314 patents.

47. On information and belief, even though Defendant has been aware of the '785 and '314 patents and that its customers and end-users infringe these patents since as of its receipt of the April 17, 2019 e-mail and Defendant has neither made any changes to the functionality, operations, marketing, sales, technical support, etc. of such products and services to avoid infringing the '785 and '314 patents nor informed its customers or end-users how to avoid infringing the '785 and '314 patents. To date, Defendant has not identified a single action that it has taken to avoid infringement (e.g., by designing around or notifying its

customers or end-users how to avoid infringement) by itself or its customers or end-users since it became aware of the '785 and '314 patents.

48. On information and belief, Defendant itself is unaware of any legal or factual basis that its actions solely, or in combination with the actions of its customers and end-users, do not constitute direct or indirect infringement of the '785 and '314 patents. To date, Defendant has not produced any opinion of counsel, request for opinion of counsel, evaluation, analysis, or investigation relating to the validity, scope, interpretation, construction, enforceability, unenforceability, or the infringement or potential infringement of any claim of the '785 and '314 patents.

49. As such, on information and belief, despite the information Defendant obtained from the April 17, 2019 e-mail, Defendant continues to specifically intend for and encourage its customers and end-users to use its products and/or services in a manner that infringe the claims of the '785 and '314 patents. In addition, since at least its receipt of the April 17, 2019 e-mail, Defendant has deliberately avoided taking any actions (e.g., designing around, or providing notice to its customers) to avoid confirming that its actions continue to specifically encourage its customers and end-users to use its products and/or services in a manner that infringe the claims of the '785 and '314 patents.

50. Defendant's actions of, *inter alia*, making, importing, using, offering for sale, and/or selling such products and/or services constitute an objectively high likelihood of infringement of the '785 and '314 patents, which were duly issued by the United States Patent and Trademark Office and are presumed valid. Since at least its receipt of the April 17, 2019 e-mail, Defendant is aware that there is an objectively high likelihood that its actions constituted, and continue to constitute, infringement of the '785 and '314 patents and that the

'785 and '314 patents are valid. Despite Defendant's knowledge of that risk, on information and belief, Defendant has not made any changes to the relevant operation of its products and/or services and has not provided its users and/or customers with instructions on how to avoid infringement the '785 and '314 patents. Instead, Defendant has continued to, and still is continuing to, among other things, make, use, offer for sale, and/or sell products and/or services patented under the '785 and '314 patents. As such, Defendant willfully, wantonly and deliberately infringed and is infringing the '785 and '314 patents in disregard of Aido's rights under the '785 and '314 patents.

JURY DEMAND

Aido hereby demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Aido requests that this Court enter judgment against Defendant as follows:

- A. An adjudication that Defendant has infringed the '785 and '314 patents;
- B. A judgment that Defendant has induced infringement of the '785 and '314 patents;
- C. An award of damages to be paid by Defendant adequate to compensate Aido for Defendant's past infringement of the '785 and '314 patents and any continuing or future infringement through the date such judgment is entered, including interest, costs, expenses and an accounting of all infringing acts including, but not limited to, those acts not presented at trial;
- D. An award of enhanced damages pursuant to 35 U.S.C. § 284 for Defendant's willful infringement of the '785 and '314 patents subsequent to the date of its notice '785 and '314 patents;

E. A declaration that this case is exceptional under 35 U.S.C. § 285, and an award of Aido's reasonable attorneys' fees; and

F. An award to Aido of such further relief at law or in equity as the Court deems just and proper.

Dated: May 16, 2019

STAMOULIS & WEINBLATT LLC

/s/ Richard C. Weinblatt

Stamatios Stamoulis (#4606)

Richard C. Weinblatt (#5080)

800 N. West Street, Third Street

Wilmington, DE 19801

Telephone: (302) 999-1540

Facsimile: (302) 762-1688

stamoulis@swdelaw.com

weinblatt@swdelaw.com

Attorneys for Plaintiff

Aido LLC