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1 2 3 4 5 6 7 8	Alan H. Blankenheimer (SBN 218713) ablankenheimer@cov.com Jo Dale Carothers (SBN 228703) icarothers@cov.com Lesli Gallagher (SBN 250355) lgallagher@cov.com Eric A. Caligiuri (SBN 260442) ecaligiuri@cov.com COVINGTON & BURLING LLP 9191 Towne Centre Drive, 6th Floor San Diego, California 92122 Telephone: (858) 678-1800 Facsimile: (858) 678-1600  Attorneys for Plaintiff Entropic Communications, Inc.	
10	UNITED STATES DISTRICT COURT	
11	SOUTHERN DISTRICT OF CALIFORNIA	
12	ENTROPIC COMMUNICATIONS, INC., a Delaware corporation,	Civil Case No.: '13CV1102 WQHBGS
13	Plaintiff,	COMPLAINT FOR DAMAGES
14	V.	(1) Patent Infringement under
15		35 U.S.C. §§ 271, 281, 283-85
16	ViXS SYSTEMS, INC., a Canadian corporation; ViXS USA, INC., a Delaware corporation,	DEMAND FOR JURY TRIAL
17	Defendants.	
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	COMPLADIT	C' 'I C N
	COMPLAINT	Civil Case No.:

For its complaint against Defendants ViXS Systems, Inc. ("ViXS Systems") and ViXS USA, Inc. ("ViXS USA") (together, "ViXS"), Plaintiff Entropic Communications, Inc. ("Entropic") alleges on personal knowledge as to its own activities and on information and belief as to the activities of others as follows:

## **NATURE OF ACTION**

This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code, including without limitation 35 U.S.C. §§ 271 *et seq*. Entropic seeks damages, attorneys' fees, and costs.

## JURISDICTION AND VENUE

- 1. This Court has subject matter jurisdiction over this case pursuant to 28 U.S.C. §§ 1331 and 1338(a), because this action arises under the patent laws of the United States, Title 35 of the United States Code.
- 2. This Court has personal jurisdiction over ViXS based upon at least the following: (a) ViXS Systems maintains a regional research and development office located within this State; (b) ViXS USA, a wholly owned subsidiary of ViXS Systems, maintains its principal place of business within this District; (c) ViXS transacts substantial business in and maintains continuous and systematic contacts with this District and the State of California; (d) ViXS has committed tortious acts that ViXS knew or should have known would cause injury to Entropic in the Southern District of California; (e) ViXS USA has appointed an agent in the State of California to receive service of process on its behalf; and (f) Entropic has its principal place of business in the Southern District of California and the development of the technology at issue took place, at least in part, in the Southern District of California.
- 3. Venue is proper in the United States District Court for the Southern District of California under 28 U.S.C. §§ 1391(b)-(d), 1400(b).

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#### THE PARTIES

- 4. Entropic is a Delaware corporation with a principal place of business at 6290 Sequence Dr., San Diego, California, 92121.
- 5. Upon information and belief, ViXS Systems is a Canadian corporation with a principal place of business at 1210 Sheppard Ave. E., Suite 800, Toronto, Ontario, M2K 1E3, Canada.
- 6. Upon information and belief, ViXS USA is a Delaware corporation with a principal place of business at 16935 W. Bernardo Dr., Suite 155, San Diego, California, 92127.

## ENTROPIC AND THE ASSERTED PATENTS

- 7. Based in San Diego, California, Entropic is a world leader in semiconductor solutions for the connected home. Entropic transforms how traditional HDTV broadcast and IP-based streaming video content is seamlessly, reliably, and securely delivered, processed, and distributed into and throughout the home. Entropic's next-generation Set-top Box (STB) System-on-a-Chip (SoC) and silicon and software solutions enable Pay-TV operators to offer consumers more captivating whole-home entertainment experiences by transforming the way digital entertainment is delivered, connected and consumed.
- 8. Entropic is an owner by assignment of all rights, title, and interest in and to United States Patent No. 7,295,518 (the "518 Patent") (Exhibit A). The '518 Patent is entitled "Broadband Network for Coaxial Cable Using Multi-Carrier Modulation," and issued on November 13, 2007.
- 9. Entropic is an owner by assignment of all rights, title, and interest in and to United States Patent No. 7,889,759 (the "759 Patent") (Exhibit B). The '759 Patent is entitled "Broadband Cable Network Utilizing Common Bit-Loading," and issued on February 15, 2011.
- 10. The '518 Patent and the '759 Patent are collectively referred to herein as the "Asserted Patents."

11. The technology embodied in certain claims of the Asserted Patents has been adopted in the standards set by the Multimedia over Coax Alliance ("MoCA"). The MoCA standard is the universal standard for home entertainment networking. MoCA is the only home entertainment networking standard in use by all three pay TV segments---cable, satellite and IPTV. The current MoCA specification can support multiple streams of HD video, deliver up to 175 Mbps net throughputs and offer an unparalleled user experience via parameterized quality of service.

## **BACKGROUND**

- 12. On information and belief, ViXS, either directly or through other entities under its direct control, manufactures and sells network media processers and related products, including without limitation those products ViXS advertises as compliant with and practicing the MoCA standards (the "Accused Products").
- 13. ViXS infringes the Asserted Patents by engaging in acts constituting infringement under 35 U.S.C. § 271, including without limitation making, using, selling and/or offering for sale in and/or importing into the United States without authority products that infringe one or more claims of the Asserted Patents.
- 14. On information and belief, ViXS displays, promotes, and demonstrates its products at trade shows and conferences throughout the United States, including without limitation the 2011, 2012, and 2013 Consumer Electronics Shows in Las Vegas, Nevada; the 2010, 2011, and 2012 NAB Shows in Las Vegas, Nevada; and the 2012 Cable Labs Conference in Philadelphia, Pennsylvania, and 2011 Cable Labs Conference in Keystone, Colorado.
- 15. On information and belief, ViXS Systems maintains a regional office and research and development facility within this state, located at 2550 N Hollywood Way, Burbank, CA.

- 16. On information and belief, ViXS USA, a Delaware corporation, "function(s) as [a] vehicle[] to facilitate [ViXS]'s sales and development activities outside of Canada," and has its primary place of business located within this Judicial District.
  - 17. ViXS does not have a license to any Entropic patents or technology.
- 18. ViXS has knowledge and notice of the Asserted Patents and its infringement since at least, and through, the filing and service of the Complaint.

## FIRST CAUSE OF ACTION

(Infringement of the '518 Patent)

- 19. Entropic incorporates by reference as if fully set forth herein the allegations in Paragraphs 1-18 of this Complaint.
- 20. Entropic is the owner by assignment of all rights, title, and interest in and to the '518 Patent. Entropic therefore has standing to sue for infringement of the '518 Patent.
- 21. On information and belief, ViXS infringes, literally and/or under the doctrine of equivalents, one or more claims of the '518 Patent, by making, using, selling and/or offering for sale in and/or importing into the United States without authority products that infringe one or more claims of the '518 Patent.
- 22. As a direct and proximate result of ViXS's infringement, Entropic has suffered, and will continue to suffer, injury.
- 23. As a result of the harm suffered as alleged herein, Entropic is entitled to relief under the Patent Act, including damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty, as well as costs and attorneys' fees.

# **SECOND CAUSE OF ACTION**

(Infringement of the '759 Patent)

24. Entropic incorporates by reference as if fully set forth herein the allegations in Paragraphs 1-23 of this Complaint..

- 25. Entropic is the owner by assignment of all rights, title, and interest in and to the '759 Patent. Entropic therefore has standing to sue for infringement of the '759 Patent.
- 26. On information and belief, ViXS infringes, literally and/or under the doctrine of equivalents, one or more claims of the '759 Patent, by making, using, selling and/or offering for sale in and/or importing into the United States without authority products that infringe one or more claims of the '759 Patent.
- 27. As a direct and proximate result of ViXS's infringement, Entropic has suffered, and will continue to suffer, injury.
- 28. As a result of the harm suffered as alleged herein, Entropic is entitled to relief under the Patent Act, including damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty, as well as costs and attorneys' fees.

#### **PRAYER FOR RELIEF**

**WHEREFORE**, Entropic respectfully prays that the Court grant the following relief:

- A. The entry of judgment in favor of Entropic and against ViXS;
- B. An award of damages adequate to compensate Entropic for the infringement, as well as prejudgment interest from the date the infringement began, but in no event less than a reasonable royalty as permitted by 35 U.S.C. § 284;
- C. A finding that this case is exceptional and an award of interest, costs, expenses, and attorneys' fees incurred by Entropic in prosecuting this action as provided by 35 U.S.C. § 285;
- D. For any other orders necessary to accomplish complete justice between the parties; and
- E. For such other and further relief as this Court or a jury may deem just and proper.

# **JURY DEMAND**

Entropic demands a trial by jury on all issues triable by jury.

DATED: May 8, 2013 COVINGTON & BURLING LLP

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**COMPLAINT** 

Civil Case No.: