

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

Xerox Corporation,

Plaintiff,

-vs-

Monument Peak Ventures, LLC,

Defendant.

Civil Action No. 6:20-cv-6263

JURY TRIAL DEMANDED

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff Xerox Corporation (“Xerox”), for its Complaint against Defendant Monument Peak Ventures LLC (“MPV”), alleges as follows:

NATURE OF THE ACTION

1. Xerox files this lawsuit because MPV accuses it of infringing patents that Xerox does not, in fact, infringe.

2. MPV is one of a vast array of patent assertion entities associated with Dominion Harbor Enterprises, LLC. MPV does not exist to invent new ideas, make products or provide services to consumers. It exists to acquire and then assert patents against companies who actually have done the hard work in researching, developing and bringing products and services to market.

3. In 2017, MPV bought the patents that are the subject of this suit from another non-practicing entity (Intellectual Ventures) who had obtained them from the Eastman Kodak Company (“Kodak”). As their origin would suggest, these Kodak patents relate to camera technology. MPV is now trying to stretch the scope of these camera related patents to cover Xerox’s printer devices. Needless to say, office printers are not cameras, and the patents at issue are not relevant to Xerox’s business.

4. MPV, however, has a business model predicated on buying patents on the cheap and asserting them against a wide array of targets to obtain nuisance value settlements, taking whatever positions necessary to claim infringement (no matter how implausible) and threatening litigation (and its attendant expense) if a party does not accede to its licensing demands. This is what MPV has done here. It has asserted patents without any connection to Xerox's business, pushed a licensing agenda unconnected to the fundamental question of whether Xerox needs a license, and threatened litigation if Xerox does not pay.

5. MPV's claims of infringement are completely unfounded, and as a result, Xerox seeks a declaration from this Court that it does not infringe United States Patents Nos.: 5,923,908 (the "'908 patent"); 6,157,436 (the "'436 patent"); 6,215,559 (the "'559 patent"); 6,396,599 (the "'599 patent"); 6,873,336 (the "'336 patent"); 7,006,890 (the "'890 patent"); 7,092,966 (the "'966 patent"); and 7,684,090 (the "'090 patent") (collectively, the "Patents-in-Suit").¹ This case is authorized by and arises under the Declaratory Judgment Act, 28 U.S. C. § 2201 *et seq.* and the patent laws of the United States, 35 U.S.C. § 1 *et seq.*

THE PARTIES

6. Xerox is a corporation and existing under the laws of New York. Xerox's largest base of employees is in and around Rochester, New York, including its lead engineering, design and manufacturing campus in Webster, New York. Founded in 1906 in Rochester, New York, Xerox has been one of the most innovative companies in the U.S. for more than a century. In addition to pioneering now-everyday concepts in personal computing, such as the graphical user interface and the mouse, Xerox also developed the very first plain paper photocopier. Xerox maintains its reputation for human-centered innovation to this day: In 2019, it was recognized in

¹ Copies of the Patents-in-Suit are attached as Exhibits A–H to this complaint.

Fortune Magazine’s “World’s Most Admired Companies” and in 2018, it was named a “2018 Thomson Reuters Top 100 Global Technology Leader.”

7. MPV is a company organized and existing under the laws of Texas, with a principal place of business at 200 Crescent Court, Suite 1550, Dallas, Texas 75201-2095. As explained above, MPV is no innovator: it is an opportunistic non-practicing entity that seeks to turn twice purchased patents into profit for its owners. In recent years, it has filed a number of lawsuits, seeking to monetize its patents.² Significantly, not one of these lawsuits has been decided on the merits in favor of MPV.

8. MPV claims to be the owner by assignment of the right, title and interest in the Patents-in-Suit.

JURISDICTION AND VENUE

9. This action arises under the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, and under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*

10. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331, 1338(a) and 2201(a).

11. As described in more detail below, an immediate, real, and justiciable controversy exists between Xerox and MPV as to whether Xerox is infringing or has infringed the Patents-in-Suit.

² See *Monument Peak Ventures, LLC v. Hitachi, Ltd.*, No. 2:20-cv-00098 (E.D. Tex.); *Monument Peak Ventures, LLC v. Toshiba*, No. 8:19-cv-02181 (C.D. Cal.); *Monument Peak Ventures, LLC v. Sakar International, Inc.*, No. 1:19-cv-01890 (S.D.N.Y.); *Monument Peak Ventures, LLC v. HMD Global Oy*, No. 2:18-cv-00521 (E.D. Tex.); *Monument Peak Ventures, LLC v. Bosch Security Systems, Inc.*, No. 1:18-cv-01335 (D. Del.); *Monument Peak Ventures, LLC v. GE Healthcare, Ltd.*, No. 3:18-cv-01158 (S.D. Cal.); *Monument Peak Ventures v. Hasselblad, Inc.*, No. 1:18-cv-00732 (D. Del.); *Monument Peak Ventures v. GoPro, Inc.*, No. 1:18-cv-00416 (D. Del.); *Monument Peak Ventures, LLC v. SZ DJI Tech. Co., Ltd.*, No. 2:18-cv-02210 (C.D. Cal.); *Monument Peak Ventures, LLC v. Hasselblad, Inc.*, No. 2:18-cv-02214 (C.D. Cal.).

12. MPV is subject to personal jurisdiction in this district by virtue of the extensive enforcement activities it has conducted in and purposefully directed to the State of New York, including in this District.

13. MPV first approached Xerox's New York based Intellectual Property Law Department about the Patents-in-Suit on April 2, 2019. It emailed Xerox's Chief IP Counsel and Associate General Counsel who is located in New York. That email asserted that "[i]n examining the Kodak portfolio it has become evident to us that Xerox would benefit from a license to this portfolio." Over the course of the next year, MPV aggressively escalated its rhetoric with respect to Xerox. It sent more than 40 communications to Xerox personnel in New York, including those located within this District, in an attempt to persuade Xerox to license the Patents-in-Suit.

14. MPV also met via web conference with Xerox personnel in New York, including personnel located in this District. On June 26, 2019, November 14, 2019, and February 11, 2020, MPV scheduled and led three web conferences with Xerox personnel in Webster, New York as part of its efforts to convince Xerox to license the Patents-in-Suit. On information and belief, MPV knew that it was interacting with Xerox's New York operations and was purposeful in directing its licensing efforts to the State of New York and this District.

15. MPV, in fact, has had prior dealings with Xerox. As early as April 7, 2016, Xerox and MPV signed a Confidential Disclosure Agreement regarding a different set of patents. In that agreement, MPV did not object to jurisdiction in New York but rather agreed that "[t]his Agreement shall be construed in accordance with the laws of the State of New York, without regard to its choice of law provisions. All disputes arising out of or in connection with this Agreement shall be adjudicated in, and the parties consent to the jurisdiction of, the state and federal courts of the State of New York."

16. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b)-(c).

17. MPV's enforcement activities have created an actual and substantial controversy regarding whether Xerox infringes the Patents-in-Suit that is of sufficient immediacy and reality to warrant the issuance of a declaratory judgment. MPV, for example, accused Xerox of infringing the Patents-in-Suit and provided Xerox with a set of claim charts—which it labeled “examples of use”—that purport to map features of Xerox's products to a claim from each of the Patents-in-Suit.

18. MPV repeated its allegations of infringement throughout its correspondence and on the web conferences. In return, Xerox demonstrated to MPV that it did not require a license to the Patents-in-Suit. By February 2020, MPV was clear that Xerox faced a decision—take a license or face litigation. MPV wrote to Xerox on February 5, 2020, threatening, “[w]e will need to get this call set up ASAP in order to avoid escalating this matter for litigation.” And, on April 16, 2020, it again wrote to Xerox, stating, “[a]t this point we really need to have a call in the next week to either move the licensing discussions forward or to pivot to litigation.” There is an actual, ripe and judicable controversy regarding the infringement of the Patents-in-Suit.

BACKGROUND ON THE PATENTS-IN-SUIT

19. MPV acquired the Patents-in-Suit from another patent assertion entity called Intellectual Ventures in 2017 who, in turn, had acquired the patents from their original assignee, Kodak.

20. Kodak is a camera company, and the Patents-in-Suit reflect that fact.

21. For example, the '908 patent is entitled, “*Camera* With Touch Sensitive Control” (emphasis added). Claim 11, which MPV asserts Xerox infringes, claims:

A *camera* comprising:

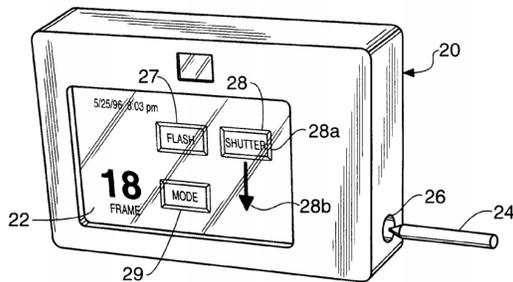
(a) a touch sensitive screen;

(b) a *camera* control which controls at least one function of *the camera*; and

(c) a processor connected to the touch sensitive screen and the *camera* control, to display a *camera* control icon at different user selectable positions or sizes on the screen, so that touching the icon controls the corresponding *camera function*.

(emphases added).

22. On the left, below, is a figure that the '908 patent describes as “a camera with a user interface of the present invention.” On the right is one of the Xerox multi-function devices that MPV has attempted to claim infringes the '908 patent, taken from one of the so-called “examples of use” MPV provided Xerox.



Xerox AltaLink B8000 Family



23. To state the obvious, the device on the right is not a camera.

24. Not only is the '908 patent clearly not infringed by Xerox, that patent *expired* on March 16, 2018. Indeed, fully half of the patents that MPV has accused Xerox of infringing—the '908, '436, '559, and '599 patents—have already expired. Yet neither Kodak nor Intellectual Ventures ever accused Xerox of infringing these patents, or any of the other Patents-in-Suit.

25. Xerox in fact did not have notice of infringement of the Patents-in-Suit before MPV approached it in April 2019. The '436, '559 and '599 patents had all expired before that point. Because both induced and contributory infringement require not only knowledge of the patent but also knowledge of patent infringement, MPV cannot advance any indirect infringement allegation as to these patents. And, because Xerox does not itself perform the methods in those patents, Xerox could not have directly infringed the method claims found in those patents.

26. In addition, and upon information and belief, while Kodak sold products that practiced one or more claims of the Patents-in-Suit, neither Kodak nor MPV marked such products with the patent numbers of the Patents-in-Suit. As a result, no damages are available for any such infringement that took place before MPV approached Xerox in April 2019—adding another reason why MPV has no basis to recover damages.

27. Despite these massive flaws in its infringement case, MPV sought to extract substantial licensing fees from Xerox.

COUNT I

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '908 PATENT

28. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

29. MPV asserts that Xerox's AltaLink and VersaLink multifunction printers infringe one or more claims of the '908 patent.

30. Xerox, however, has not infringed and does not infringe any claim of the '908 patent, either directly or indirectly, literally or under the doctrine of equivalents.

31. By way of example, claim 11 of the '908 patent requires a "camera" with multiple components including "(b) a *camera* control which controls at least one function of *the camera*." But neither the AltaLink nor the VersaLink printers are cameras, much less ones with "a camera

control which controls at least one function of the camera.” Both are multifunction *printers*, weighing hundreds of pounds, unlike the handheld cameras described in the ’908 patent. Nor do the AltaLink and VersaLink multifunction printers include a shutter, which the “camera” claimed in the ’908 patent does.

32. MPV’s litigious history, the specific infringement allegations by MPV against Xerox, and Xerox’s denial of infringement have created an actual, substantial, immediate, and real controversy between the parties as to the non-infringement of the ’908 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

33. Therefore, Xerox seeks a declaration that it does not infringe the ’908 patent.

COUNT II

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE ’436 PATENT

34. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

35. MPV asserts that Xerox’s FreeFlow Core product infringes one or more claims of the ’436 patent.

36. Xerox, however, has not infringed and does not infringe any claim of the ’436 patent, either directly or indirectly, literally or under the doctrine of equivalents.

37. By way of example, claim 25 of the ’436 patent requires “a computer readable storage medium” that has “a computer program stored thereon for performing” a series of steps including “dividing an order received from the image order input source into multiple suborders for respective image printers, including generating a sub-order header having a unique order identification and an indication of the number of copies of the image to be printed by the

corresponding printer.” Xerox’s FreeFlow Core software does not divide an order into multiple suborders—including generating the required sub-order headings—as required by the claim.

38. MPV’s litigious history, the infringement allegations by MPV against Xerox, and Xerox’s denial of infringement have created a substantial, immediate, and real controversy between the parties as to the non-infringement of the ’436 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

39. Therefore, Xerox seeks a declaration that it does not infringe the ’436 patent.

COUNT III

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE ’559 PATENT

40. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

41. MPV asserts that Xerox’s FreeFlow Core product infringes one or more claims of the ’559 patent.

42. Xerox, however, has not infringed and does not infringe any claim of the ’559 patent, either directly or indirectly, literally or under the doctrine of equivalents.

43. By way of example, claim 1 of the ’559 patent is a method claim requiring steps that Xerox does not perform, such as “communicating the image signals from the image queues to respective image renderers which render the image signals into the different formats associated with each image queue.” Xerox also does not infringe the claimed methods indirectly, at least because it had no notice of the ’559 patent prior to the patent’s expiration.

44. MPV’s litigious history, the infringement allegations by MPV against Xerox, and Xerox’s denial of infringement have created a substantial, immediate, and real controversy between the parties as to the non-infringement of the ’559 patent. A valid and justiciable

controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

45. Therefore, Xerox seeks a declaration that it does not infringe the '599 patent.

COUNT IV

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '599 PATENT

46. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

47. MPV asserts that Xerox's DocuMate Series Scanners infringe one or more claims of the '599 patent.

48. Xerox, however, has not infringed and does not infringe any claim of the '599 patent, either directly or indirectly, literally or under the doctrine of equivalents.

49. By way of example, claim 1 of the '599 patent requires "modifying that portion of said image having said at least one predetermined colorimetric parameter to a selected second predetermined colorimetric parameter so as to produce a modified digital image." The '599 patent states that it relates to "a photographic color imaging system that selectively adjusts the skin tone of individuals in images in accordance with customer preferences." It further explains "[a] set of colorimetric parameters for an object, based on measured colorimetric parameters, can quantify the color of the object as it appears to the average observer under a specific set of viewing conditions." Put simply, the '599 patent transforms one color into another selected color. But Xerox's DocuMate Series Scanners do not have a "second predetermined colorimetric parameter" (i.e., another color) that can be "selected," such that a predetermined first color is transformed into it.

50. MPV's litigious history, the infringement allegations by MPV against Xerox, and Xerox's denial of infringement have created a substantial, immediate, and real controversy

between the parties as to the non-infringement of the '599 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

51. Therefore, Xerox seeks a declaration that it does not infringe the '599 patent.

COUNT V

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '336 PATENT

52. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

53. MPV asserts that Xerox's FreeFlow Core product infringes one or more claims of the '336 patent.

54. Xerox, however, has not infringed and does not infringe any claim of the '336 patent, either directly or indirectly, literally or under the doctrine of equivalents.

55. By way of example, claim 1 of the '336 patent requires "placing said images in a product in accordance with the predetermined criteria." Xerox's FreeFlow Core software product does not perform this step: it does not place images in a product.

56. MPV's litigious history, the infringement allegations by MPV against Xerox, and Xerox's denial of infringement have created a substantial, immediate, and real controversy between the parties as to the non-infringement of the '336 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

57. Therefore, Xerox seeks a declaration that it does not infringe the '336 patent.

COUNT VI

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '890 PATENT

58. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

59. MPV asserts that Xerox's FreeFlow Core product infringes one or more claims of the '890 patent.

60. Xerox, however, has not infringed and does not infringe any claim of the '890 patent, either directly or indirectly, literally or under the doctrine of equivalents.

61. By way of example, claim 5 of the '890 patent requires a "controller" that "automatically adjust[s] the operational status of at least one of said plurality of devices in response to said monitoring." Xerox's FreeFlow Core product does not adjust the operational status of a device. It cannot, for example, pause or power-off another device.

62. MPV's litigious history, the infringement allegations by MPV against Xerox, and Xerox's denial of infringement have created a substantial, immediate, and real controversy between the parties as to the non-infringement of the '890 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

63. Therefore, Xerox seeks a declaration that it does not infringe the '890 patent.

COUNT VII

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '966 PATENT

64. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

65. MPV asserts that Xerox's FreeFlow Variable Information Suite product infringes one or more claims of the '966 patent.

66. Xerox, however, has not infringed and does not infringe any claim of the '966 patent, either directly or indirectly, literally or under the doctrine of equivalents.

67. By way of example, claim 1 of the '966 patent requires “automatically searching a database of image content using said at least one designated image parameter and providing at least one image content candidate for placement in said at least one digital container.” Xerox’s FreeFlow Variable Information Suite product does not automatically search a “database of image content” in order to provide at least one image content candidate for use as a variable graphic. Indeed, Xerox’s FreeFlow Variable Information Suite does not even have a database that contains image content.

68. MPV’s litigious history, the infringement allegations by MPV against Xerox, and Xerox’s denial of infringement have created a substantial, immediate, and real controversy between the parties as to the non-infringement of the '966 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

69. Therefore, Xerox seeks a declaration that it does not infringe the '966 patent.

COUNT VIII

DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE '090 PATENT

70. Xerox restates and incorporates by reference the allegations in the preceding paragraphs in this Complaint as if fully set forth herein.

71. MPV asserts that Xerox’s D95A/D110/D125 Copier/Printers infringe one or more claims of the '090 patent.

72. Xerox, however, has not infringed and does not infringe any claim of the '090 patent, either directly or indirectly, literally or under the doctrine of equivalents.

73. By way of example, claim 1 of the '090 patent requires a “printer processor adapted to transmit signals to the display device controller influencing what is presented on the image display.” Yet, in Xerox’s D95A/D110/D125 Copier/Printers, there is no separate “printer processor” and “display device controller” as required by the claim.

74. MPV’s litigious history, the infringement allegations by MPV against Xerox, and Xerox’s denial of infringement have created a substantial, immediate, and real controversy between the parties as to the non-infringement of the '090 patent. A valid and justiciable controversy has arisen and exists between MPV and Xerox within the meaning of 28 U.S.C. § 2201.

75. Therefore, Xerox seeks a declaration that it does not infringe the '090 patent.

JURY DEMAND

Xerox demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Xerox respectfully requests the following relief:

1. Judgment that Xerox has not and does not infringe any claim of the Patents-in-Suit;
2. Judgment entered in favor of Xerox and against MPV on Xerox's claim;
3. A finding that this is an exceptional case under 35 U.S.C. § 285;
4. An award of Xerox's costs and attorneys' fees in connection with this action; and
5. Such further and additional relief as the Court deems just and proper.

Dated: April 23, 2020

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