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 9 REALNETWORKS HOME
 ENTERTAINMENT, INC.

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FILED
 08 SEP 30 AM 9:00
 RICHARD H. WASHINGTON
 CLERK, U.S. DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA
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11 UNITED STATES DISTRICT COURT
 12 NORTHERN DISTRICT OF CALIFORNIA

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14 REALNETWORKS, INC., a Washington
 Corporation; and REALNETWORKS HOME
 15 ENTERTAINMENT, INC., a Delaware
 16 corporation,

Plaintiffs,

v.

19 DVD COPY CONTROL ASSOCIATION, INC.,
 a Delaware nonprofit corporation, DISNEY
 20 ENTERPRISES, INC., a
 21 Delaware corporation; PARAMOUNT
 PICTURES CORP., a Delaware corporation;
 22 SONY PICTURES ENTERTAINMENT, INC., a
 Delaware corporation; TWENTIETH CENTURY
 23 FOX FILM CORP., a Delaware corporation;
 24 NBC UNIVERSAL, INC., a Delaware
 corporation; WARNER BROS.
 25 ENTERTAINMENT, INC., a Delaware
 corporation; and VIACOM, Inc., a Delaware
 26 Corporation.

Defendants.

CASE NO.:
**COMPLAINT FOR
 DECLARATORY RELIEF**
[DEMAND FOR JURY TRIAL]

1 **INTRADISTRICT ASSIGNMENT**

2 9. Pursuant to Civil Local Rule 3-2(c), this action may be assigned on a district-wide
3 basis.

4 **THE PARTIES**

5 10. RealNetworks is a Washington corporation with its principal place of business in
6 Seattle, Washington. It is engaged in the business of, among other things, developing,
7 manufacturing, and selling platforms for the delivery of digital media.
8

9 11. RealNetworks Home Entertainment, Inc. is a Delaware corporation with its
10 principle place of business in Seattle, Washington. It is a subsidiary of RealNetworks and it is the
11 entity that distributes the RealDVD product.

12 12. The DVD CCA is a Delaware nonprofit corporation, having offices located in
13 Morgan Hill, California. It granted a license in the CSS technology to RealNetworks in the form
14 of a written CSS License Agreement.
15

16 13. Disney Enterprises, Inc. is a Delaware corporation with its principal place of
17 business in Los Angeles, California. It is engaged in the business of, among other things, making
18 motion pictures. It is a member of the DVD CCA.

19 14. Paramount Pictures Corp. is a Delaware corporation with its principal place of
20 business in Los Angeles, California. It is engaged in the business of, among other things, making
21 motion pictures. It is a member of the DVD CCA.
22

23 15. Sony Pictures Entertainment, Inc. is a Delaware corporation with its principal place
24 of business in Culver City, California. It is engaged in the business of, among other things,
25 making motion pictures. It is a member of the DVD CCA.

26 16. Twentieth Century Fox Film Corp. is a Delaware corporation with its principal
27 place of business in Los Angeles, California. It is engaged in the business of, among other things,
28 making motion pictures. It is a member of the DVD CCA.

1 17. NBC Universal, Inc., is a Delaware corporation with its principal place of business
2 in Universal City, California. It is engaged in the business of, among other things, making motion
3 pictures. It is a member of the DVD CCA.

4 18. Warner Bros. Entertainment, Inc. is a Delaware corporation, with its principal place
5 of business in Los Angeles, California. It is engaged in the business of, among other things,
6 making motion pictures. It is a member of the DVD CCA.

7 19. Viacom, Inc. is a Delaware corporation, with its principal place of business in New
8 York, New York. It is engaged in the business of, among other things, making motion pictures. It
9 is a member of the DVD CCA.
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11 **FACTS**

12 **A. The CSS License Agreement And The DVD CCA.**

13 20. The Studio Defendants sell DVD discs that contain movies, and such discs use the
14 CSS technology to encrypt the content on the DVDs. Consequently, the content must be
15 decrypted before the movie can be displayed. Thus, the manufacturers of hardware and software
16 that permit the movies to be viewed (the consumer electronics and computer industries) must
17 likewise have access to the CSS technology.
18

19 21. To facilitate their mutual interests in the use of the CSS technology, the motion
20 picture, consumer electronics, and computer industry formed the DVD CCA. The DVD CCA
21 licenses the CSS technology to, among others, manufacturers of devices and software used to
22 decrypt images on DVDs pursuant to a standard form CSS License Agreement (a copy of which is
23 attached hereto as Exhibit 1).
24

25 22. The CSS License Agreement imposes certain restrictions on its licensees, including
26 the requirement that the licensees “comply with the version of the CSS Specifications which is in
27 effect at the time such DVD Product is manufactured” CSS License Agreement § 4.2. The
28

1 Studio Defendants assert that the CSS License Agreement grants them the right to enforce certain
2 of its provisions, including Section 4.2. *See* CSS License Agreement § 9.5.

3 23. On or about August 13, 2007, RealNetworks signed the CSS License Agreement.
4 It is thereby entitled to use the CSS technology under the terms of that Agreement.
5

6 **B. Development Of The RealDVD System.**

7 24. RealDVD provides DVD users with, among other things, the ability to save a
8 personal copy of a DVD they own on a secure hard drive for their own personal use. The copy
9 preserves the CSS encryption. The RealDVD system thus protects the user from, among other
10 things, damage or loss of a DVD, while ensuring that the encryption protection in the original
11 DVD is maintained. Further, RealDVD enhances the original protection by incorporating an
12 additional layer of protection at a level beyond that required by the CSS License Agreement. The
13 RealDVD system also provides a number of other desirable features, such as parental controls that
14 ensure children access only entertainment that is appropriate for their age, central storage that
15 permits users to keep all the motion pictures they own in one easily accessible location, and the
16 capability for users to watch their movies on a variety of devices they own for greater ease of use
17 and convenience.
18

19 25. Approximately two weeks ago, Plaintiffs made known to the Defendants that the
20 RealDVD system would be released on September 30, 2008.
21

22 **C. The Legal Dispute With The Studio Defendants**

23 26. Subsequently, the Studio Defendants, on their own behalf and on behalf of the
24 DVD CCA of which they are members, advised Plaintiffs that they believed that the RealDVD
25 product violated the CSS License in that the RealDVD product allegedly did not conform to the
26 CSS Specifications. The Defendants further claim that the RealDVD product violates the anti-
27 circumvention provisions of the DMCA.
28

1 27. Plaintiffs do not believe that the RealDVD product violates the CSS License
2 Agreement or the DMCA or any rights of the Defendants, and have so advised the Studio
3 Defendants.

4 28. Efforts to resolve this dispute have failed.

6 **FIRST CAUSE OF ACTION**

7 (Declaratory Relief under Contract Claim)

8 29. Plaintiffs reallege and incorporate by reference the allegations contained in
9 Paragraphs 1 through 28 as if fully set forth herein.

10 30. There is an actual and justiciable controversy relating to the legal rights and duties
11 of Plaintiffs and Defendants under the CSS License Agreement in that the Defendants have
12 advised Plaintiffs that they believe the RealDVD Product violates the CSS License Agreement.
13 This controversy is of sufficient immediacy and reality to warrant the issuance of a declaratory
14 judgment.

15
16 31. Thus, a declaration of Plaintiffs' rights under the CSS License Agreement is
17 necessary to protect Plaintiffs from uncertainty and insecurity, which is causing Plaintiffs injury
18 by, among other things, damaging its goodwill and disrupting its business. Without the requested
19 declaration of its rights, the Defendants will continue to jeopardize Plaintiffs' interests.

21 **SECOND CAUSE OF ACTION**

22 (Declaratory Relief under the Digital Millennium Copyright Act, 17 U.S.C. § 1201)

23 32. Plaintiffs reallege and incorporate by reference the allegations contained in
24 Paragraphs 1 through 31 as if fully set forth herein.

25 33. RealNetworks is a licensee of CSS technology, and the RealDVD product was
26 designed to conform to the CSS Specifications. As a result, the RealDVD product is authorized
27 by the Defendants to utilize CSS technology to access the content of DVDs to which the Studio
28 Defendants own the copyrights.

1 34. The RealDVD product is not primarily designed or produced for the purpose of
2 circumventing a technological measure that effectively controls access to a copyrighted work, or
3 that protects the right of a copyright owner. Rather, the RealDVD product ensures that the
4 encryption protection in the original DVD is maintained and enhanced by incorporating an
5 additional layer of protection at a level beyond that required by the CSS License Agreement.
6

7 35. The RealDVD product has commercially significant purposes and uses other than
8 to circumvent a technological measure that effectively controls access to a copyrighted work, or
9 that protects the right of a copyright owner. By way of example only, the RealDVD product
10 provides the owners of DVDs with the ability to save a personal copy of a DVD on a secure hard
11 drive for private use, and protects the DVD owner against damage or loss of a DVD that he or she
12 has obtained through legitimate means.
13

14 36. The RealDVD Product has not been marketed for use in circumventing a
15 technological measure that effectively controls access to a copyrighted work, or that protects the
16 right of a copyright owner. Rather, the RealDVD Product has been marketed as licensed software
17 that "saves a secure copy of a DVD to the hard drive without removing or altering the CSS
18 encryption."
19

20 37. Plaintiffs request a judicial determination and declaration as to whether the
21 RealDVD product violates the provisions of 17 U.S.C. § 1201. Such a judicial determination and
22 declaration is necessary to protect Plaintiffs from uncertainty and insecurity, which is causing
23 Plaintiffs injury by, among other things, damaging its goodwill and disrupting its business.
24 Without the requested declaration of its rights, the Defendants will continue to jeopardize
25 Plaintiffs' interests.

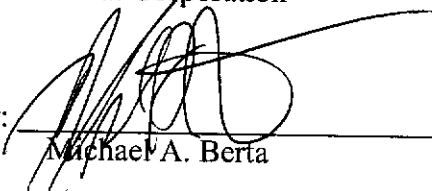
26 WHEREFORE, based on the foregoing, Plaintiffs respectfully request that the Court grant
27 the following relief:
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- a. A judgment declaring that the CSS License Agreement permits the manufacture, distribution, and sale of the RealDVD product;
- b. A judgment declaring that the Plaintiffs do not violate the DMCA;
- c. Attorneys' fees and costs; and
- d. Such other relief as this Court deems just and equitable.

Dated: September 30, 2008

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

By: 
Michael A. Berta

Attorneys for Plaintiffs REALNETWORKS,
INC. and REALNETWORKS HOME
ENTERTAINMENT, INC.

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DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a jury trial as provided by Rule 38 of the Federal Rules of Civil Procedure.

Dated: September 30, 2008

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation

By: 

Michael A. Berta

Attorneys for Plaintiffs REALNETWORKS,
INC. and REALNETWORKS HOME
ENTERTAINMENT, INC.