

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

PRINCETON DIGITAL IMAGE CORPORATION,

Plaintiff

v.

**FACEBOOK, INC.,
IMAGESHACK CORPORATION,
PHOTOBUCKET.COM, INC.,
SHUTTERFLY, INC.,
YAHOO! INC.,
CORBIS CORPORATION,
GETTY IMAGES, INC., and
GOOGLE, INC.**

Defendants.

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Civil Action No. 2:11cv400

JURY TRIAL DEMAND

PLAINTIFF'S FIRST AMENDED COMPLAINT

Princeton Digital Image Corporation (hereafter "Princeton"), Plaintiff, brings this action against Facebook, Inc., ImageShack Corporation, Photobucket.com, Inc., Shutterfly, Inc., and Yahoo! Inc., Corbis Corporation, Getty Images, Inc., and Google, Inc. (hereafter "Defendants"), and alleges that:

**I.
PARTIES**

1. Plaintiff Princeton is a corporation organized and doing business under the laws of Texas, having offices at 911 NW Loop 281, Suite 211-23, Longview, Texas 75604 and 1530 SSW Loop 323, Suite 124, Tyler, Texas 75701.

2. On information and belief, Defendant Facebook, Inc. (hereafter "Facebook") is a Delaware corporation, with a principal place of business located at 1601 South California Avenue, Palo Alto, California 94304.

3. On information and belief, Defendant ImageShack Corporation (hereafter “ImageShack”) is a Delaware corporation, with a principal place of business located at 236 N. Santa Cruz Avenue, #100, Los Gatos, California 95030.

4. On information and belief, Defendant Photobucket.com, Inc. (hereafter “Photobucket”) is a Delaware corporation, with a principal place of business located at 506 Second Avenue, Suite 300, Seattle, Washington 98104.

5. On information and belief, Defendant Shutterfly, Inc. (hereafter “Shutterfly”) is a Delaware corporation, with a principal place of business located at 2800 Bridge Parkway, Redwood City, California.

6. On information and belief, Defendant Yahoo! Inc. (hereafter “Yahoo”) is a Delaware corporation, with a principal place of business located at 701 First Street, Sunnyvale, California 94089.

7. On information and belief, Defendant Corbis Corporation (hereafter “Corbis”) is a Washington corporation with a principal place of business at 710 Second Avenue, Suite 200, Seattle, Washington 98104.

8. On information and belief, Defendant Getty Images, Inc. (hereafter “Getty”) is a Washington corporation with a principal place of business at 601 N. 34th St., Seattle, Washington 98103.

9. On information and belief, Defendant Google, Inc. (hereafter “Google”) is a Delaware corporation, with a principal place of business at 1600 Amphitheatre Parkway, Mountain View, California 94043.

II. **JURISDICTION AND VENUE**

10. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 271, et seq.

11. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 and 1338(a).

12. This Court has personal jurisdiction over Defendants since on information and belief, each of the Defendants have transacted business in this judicial district and/or have committed acts of infringement in this judicial district.

13. Venue in this district over the defendant is proper under 28 U.S.C. § 1391(c) and (d) and 1400(b).

III. BACKGROUND

14. On March 14, 1989, United States Patent No. 4,813,056 (hereafter “the ’056 patent”) was duly and legally issued to Nicola J. Fedele, as the inventor thereof, and at all applicable times was valid and subsisting. A copy of the ’056 patent, which is entitled “Modified Statistical Coding of Digital Signals,” is attached hereto as Exhibit “A”.

15. Nicola J. Fedele originally assigned his rights to the ’056 patent to General Electric Company, which assigned all rights, title and interest in and to the ’056 patent to Princeton Digital Image Compression, LLC. Princeton Digital Image Compression, LLC has assigned all rights, title and interest in and to the ’056 patent to Princeton Digital Image Corporation.

IV. INFRINGEMENT OF THE ’056 PATENT

16. Upon information and belief, Defendants infringed claims 18, 20, 21 and 23 of the ’056 patent by having performed, without authority to do so, the following act: (a) using the patented invention within the United States including, but not limited to, encoding images in a manner that infringed claims of the ’056 patent, in violation of 35 U.S.C. § 271(a).

17. Princeton is entitled to recover those damages sustained as a result of Defendants' wrongful acts of infringement of the '056 Patent in an amount subject to proof at trial.

V.
PRAYER AND RELIEF

WHEREFORE, PREMISES CONSIDERED, Princeton prays for the following relief:

1. Princeton recover damages from Defendants resulting from Defendants' infringement;
2. Princeton recover interest and costs pursuant to 35 U.S.C. § 284 and attorneys' fees pursuant to 35 U.S.C. § 285; and
3. Princeton have such other and further relief as the Court deems just and proper under the circumstances.

Trial by jury is hereby demanded.

Respectfully Submitted,

Date: 12 September 2011

By: /s/ Timothy N. Trop
Timothy N. Trop
Texas Bar No. 20236600
1616 South Voss Road, Suite 750
Houston, Texas 77057-2631
(713) 468-8880
(713) 468-8883 (fax)
Email: trop@tphm.com

**ATTORNEY FOR PLAINTIFF,
PRINCETON DIGITAL IMAGE
CORPORATION**