

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

Babbage Holdings, LLC,

Plaintiff,

v.

**The Walt Disney Co. and Disney Interactive
Studios, Inc.,**

Defendants.

Civil Action No. 2:13-CV-752

JURY TRIAL DEMANDED

COMPLAINT

Babbage Holdings, LLC (“Babbage”) files this Complaint against The Walt Disney Company and Disney Interactive Studios, Inc. (collectively, “Defendants”), and alleges as follows:

PARTIES

1. Babbage is a limited liability company existing under the laws of the State of Texas, with its principal place of business at 3100 Independence Pkwy, Suite 311, Plano, Texas.
2. Defendant The Walt Disney Company is a Delaware corporation with its principal place of business in Burbank, California. Defendant Disney Interactive Studios, Inc. is a California corporation with its principal place of business in Burbank, California.

JURISDICTION AND VENUE

3. This Court has jurisdiction because this is a patent infringement case arising under the patent laws of the United States Code, Title 35. This Court has exclusive subject matter jurisdiction over this case under 28 U.S.C. § 1338(a).

4. This Court has personal jurisdiction over Defendants. Defendants have conducted and do conduct business within the State of Texas. Defendants, directly or through subsidiaries or intermediaries, offer for sale, use, make, distribute, sell, advertise, and market accused video games in the State of Texas, and the Eastern District of Texas. Defendants have voluntarily sold accused products in this District, either directly to customers in this District or through intermediaries with the expectation that accused video games will be sold and distributed to customers in this District. These accused video games have been and continue to be purchased and used by consumers in the Eastern District of Texas. Defendants have committed acts of infringement within the State of Texas and, more particularly, within the Eastern District of Texas.

5. Venue is proper in the Eastern District of Texas under 28 U.S.C. §§ 1391(b)-(c) and 1400(b).

COUNT I
(PATENT INFRINGEMENT)

6. Babbage incorporates the foregoing paragraphs by reference as if fully set forth herein.

7. United States Patent No. 5,561,811 (the “’811 patent”), entitled “Method and Apparatus for Per-User Customization of Applications Shared By A Plurality of Users On A Single Display,” was duly and legally issued by the United States Patent and Trademark Office on September 10, 1996, after a full and fair examination. A copy of the ’811 patent is attached hereto as Exhibit A. The ’811 patent relates to, among other things, a method and apparatus for entering simultaneous and sequential input events for at least one application program under the control of multiple users of a computer system.

8. Babbage is the assignee of all rights, title, and interest in and to the ’811 patent and possesses all rights of recovery under the ’811 patent.

9. Defendants are infringing the '811 patent under 35 U.S.C. § 271 by performing, without authority, one or more of the following acts: (a) making, using, offering to sell, and selling within the United States video games that practice the inventions of the '811 patent; (b) contributing to the infringement of the '811 patent by others in the United States; and/or (c) inducing others to infringe the '811 patent within the United States.

10. For example, Defendants sell, offer for sale, and/or use at least Epic Mickey, thereby infringing at least claim 7 of the '811 patent. Defendants induce the use of Epic Mickey by others, such as their customers, who also directly infringe the '811 patent. Defendants have actively and knowingly aided and abetted that direct infringement. Defendants actually intended to cause the acts that constitute direct infringement, knows of the '811 patent at least as early as the filing date of this Complaint, and knew their actions would lead to actual infringement and/or was recklessly indifferent with respect thereto. Further, Defendants sold, offered for sale, and/or imported a material component of the patented invention that is not a staple article of commerce capable of substantial non-infringing use, with knowledge of the '811 patent, and knowledge that the component was especially made or adapted for use in an infringing manner.

JURY DEMAND

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

PRAYER FOR RELIEF

12. Babbage requests the following relief:

- A. A judgment that Defendants have directly infringed the '811 patent, contributorily infringed the '811 patent, and induced infringement of the '811 patent;
- B. An injunction preventing Defendants and their officers, directors, agents, servants, employees, attorneys, licensees, successors, and assigns, and

those in active concert or participation with any of them, from directly infringing, contributorily infringing, and inducing the infringement of the '811 patent;

- C. A judgment and order requiring Defendants to pay Babbage's damages under 35 U.S.C. § 284, including supplemental damages for any continuing post-verdict infringement up until entry of the final judgment, with an accounting, as needed;
- D. A judgment and order requiring Defendants to pay Babbage's prejudgment and post-judgment interest on the damages awarded;
- E. A judgment and order requiring Defendants to pay Babbage the costs of this action (including all disbursements) and attorney's fees as provided by 35 U.S.C. § 285; and
- F. Such other and further relief as the Court deems just and equitable.

Dated: September 23, 2013

Respectfully submitted,

/s Anthony M. Garza

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