

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

5. This Court has personal jurisdiction over Ricoh since, on information and belief, Ricoh has transacted business in this judicial district and/or has committed acts of infringement in this judicial district.

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

III. BACKGROUND

7. 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”.

8. 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

9. Upon information and belief, Ricoh infringed one or more claims of the ’056 patent by having performed, without authority to do so, one or more of the following acts: (a) making, using, offering for sale, or selling within the United States products including, but not limited to, digital cameras and certain copier, scanner and multifunction products, that infringed one or more claims of the ’056 patent, in violation of 35 U.S.C. § 271(a); (b) importing into the

United States products including, but not limited to, digital cameras and certain copier, scanner and multifunction products, that infringed one or more claims of the '056 patent, in violation of 35 U.S.C. § 271(a); (c) inducing infringement of one or more claims of the '056 patent, in violation of 35 U.S.C. § 271(b); and/or (d) contributing to the infringement of one or more claims of the '056 patent, in violation of 35 U.S.C. § 271(c).

10. Ricoh was given notice of its infringement of the '056 patent on or before December 31, 2004. Despite that notice, Ricoh continued to infringe the '056 patent.

11. Upon information and belief, Ricoh's acts of infringement of the '056 patent were both deliberate and willful.

12. Princeton is entitled to recover from Ricoh those damages sustained as a result of Ricoh's 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 Defendant resulting from Defendant's infringement, and that said damages be enhanced in view of Defendant's willful and wanton conduct;
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: January 26, 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**