Mark A. Hutchison (4639)
L. Kristopher Rath (5749)
Hutchison & Steffen, LLC
8831 W. Sahara Avenue
Las Vegas, Nevada 891117
Phone: 702-385-2500
Fax: 702-385-2086

Attorneys for Plaintiff

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CLERK US DISTRICT COURT
DISTRICT OF NEVADA

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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

1ST TECHNOLOGY LLC,

Plaintiff,

v.

LAS VEGAS FROM HOME.COM ENTERTAINMENT, INC.; REALTIME GAMING; and TERRA NETWORKS, S.A.,

Defendants.

CV-S-04-1003-RLH-PAL

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff 1st Technology LLC ("1st Technology"), complains of defendants Las Vegas From Home.com Entertainment, Inc.; RealTime Gaming, Inc. and Terra Networks, S.A. (collectively "Defendants") as follows:

JURISDICTION AND VENUE

1. Jurisdiction exists under 28 U.S.C. § 1338(a) because defendants are charged with patent infringement under 35 U.S.C. § 271.

2. Defendants each have transacted business in this judicial district by making, using, selling or offering to sell and distributing software products that violate 1st Technology, LLC's patents either in this judicial district or in the United States.

3. Venue is proper under 28 U.S.C. §§ 1391(d) and 1400(b).

PARTIES

4. 1st Technology is a California limited liability company with offices at 540 North Santa Cruz Avenue #169, Los Gatos, California 95030. 1st Technology is the assignee of and owns

HUTCHISON & STEFFEN
A PROFESSIONAL CORPORATION
LAKES BUSINESS PARK
8831 WEST SAHARA AVENUE
LAS VEGAS, NEVADA 89117

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all right, title and interest in and has standing to sue for infringement of United States Patent No. 5,564,001 entitled "Method and System for Interactively Transmitting Multimedia Information Over a Network Which Requires Reduced Bandwidth" ("the '001 Patent"), United States Patent No. 5,745,379 entitled "Method for the Production and Transmission of Enhanced Multimedia Information" ("the '379 Patent") and United States Patent No. 5,845,088 entitled "Method for the Production and Transmission of Enhanced Interactive Multimedia Information" ("the '088 Patent") (collectively "the Lewis Multimedia Patents").

5. Las Vegas From Home.com Entertainment, Inc. ("Las Vegas From Home") is a Canadian corporation with offices at 6th Floor, 1199 West Hastings Street, Vancouver, British Columbia V6E 3T5. Las Vegas From Home has sold, offered for sale, and offers for sale software products that infringe one or more claims of the Lewis Multimedia Patents. Las Vegas From Home has infringed the Lewis Multimedia Patents either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271.

6. RealTime Gaming, Inc. ("RealTime") is a company with offices at 270 Carpenter Dr. NE, Suite 250, Atlanta, Georgia 30328. RealTime has sold, offered for sale, and offers for sale software products that infringe one or more claims of the Lewis Multimedia Patents. RealTime has infringed the Lewis Multimedia Patents either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271.

7. Terra Networks, S.A. ("Terra Lycos") is a foreign corporation with its headquarters at Calle Nicaragua, 54, Barcelona, Spain and offices at 100 5th Avenue, Waltham, Massachusetts 02451. Terra Lycos has sold, offered for sale, and offers for sale software products that infringe one or more claims of the Lewis Multimedia Patents. Terra Lycos has infringed the Lewis Multimedia Patents either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271.

BACKGROUND

8. Dr. Scott Lewis ("Dr. Lewis") is an individual residing in Los Gatos, California. Dr. Lewis is the controlling manager of 1st Technology LLC. Dr. Lewis is the inventor of the '001 Patent, the '379 Patent and the '088 Patent.

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9. Dr. Lewis received B.S. and M.S. degrees with honors in mechanical and electrical engineering from M.I.T. Dr. Lewis has a Ph.D. from Oxford University in adaptive digital signal processing as a Marshall Scholar and an M.B.A. from Harvard Business School. Dr. Lewis led the development of single-chip video and audio compression solutions, as well as the first automotive video cellular telephone.

10. Dr. Lewis is the inventor of a number of patents in multimedia communication technology including the separation, processing and recombination of multiple streams of multimedia data. This processing can include enhancement, compression and other forms of data manipulation. The inventions of Dr. Lewis' patents are used in many online wagering systems.

PATENT INFRINGEMENT

11. Each of the Defendants has infringed the Lewis Multimedia Patents either directly or through acts of contributory infringement or inducement in violation of 35 U.S.C. § 271.

12. Las Vegas From Home.com Entertainment, Inc. has infringed at least Claim 1 of the '379 Patent, at least Claim 26 of the '001 Patent, and at least Claim 1 of the '088 Patent.

13. RealTime Gaming has infringed at least Claim 1 of the '379 Patent, at least Claim 26 of the '001 Patent, and at least Claim 1 of the '088 Patent.

14. Terra Lycos has infringed at least Claim 1 of the '379 Patent, at least Claim 26 of the '001 Patent, and at least Claim 1 of the '088 Patent.

15. Defendants' infringement, contributory infringement and/or inducement to infringe has injured 1st Technology and it, therefore, is entitled to recover damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

16. Defendants' infringement, contributory infringement and/or inducement to infringe has been willful and deliberate because each Defendant has been given notice of or knew of the Lewis Multimedia Patents and has nonetheless injured and will continue to injure 1st Technology, unless and until this Court enters an injunction prohibiting further infringement

and, specifically, enjoining further manufacture, use, sale and/or offer for sale of products or services that come within the scope of the Lewis Multimedia Patents.

JURY DEMAND

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, 1st Technology requests a trial by jury on all issues presented that can properly be tried to a jury.

WHEREFORE, plaintiff, 1st Technology, asks this Court to enter judgment, individually and jointly against Defendants Las Vegas From Home.com Entertainment, Inc.; RealTime Gaming; and Terra Lycos and against their subsidiaries, affiliates, agents, servants, employees and all persons in active concert or participation with them, granting the following relief:

A. An award of damages adequate to compensate 1st Technology for the infringement that has occurred, together with prejudgment interest from the date infringement began;

B. All other damages permitted by 35 U.S.C. § 284;

C. A finding that this case is exceptional and an award to 1st Technology of attorneys' fees and costs as provided by 35 U.S.C. § 285;

D. A permanent injunction prohibiting further infringement, inducement and contributory infringement of the Lewis Multimedia Patents; and,

E. Such other and further relief as this Court or a jury may deem proper and just.

DATED this 20th day of July, 2004.

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Attorneys for Plaintiff

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