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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

QUANTUM STREAM INC.,	:	ECF CASE
	:	
Plaintiff,	:	Civil Action No. 16-cv-8604
	:	
v.	:	
	:	
NEPTUNE HOLDING US CORP., CSC	:	
HOLDINGS, LLC, and CABLEVISION	:	
SYSTEMS CORP.,	:	
	:	
Defendant	:	x

COMPLAINT

Plaintiff, Quantum Stream Inc., for its Complaint against Defendants Neptune Holding US Corp. (“Altice USA”), CSC Holdings, LLC (“CSC Holdings”), and Cablevision Systems Corp. (“Cablevision”) (each a “Defendant” and collectively “Defendants”), hereby alleges as follows:

THE PARTIES

1. Plaintiff Quantum Stream Inc. (“Quantum Stream”) is a corporation organized and existing under the laws of the State of Delaware, having its principal place of business at 780 Third Avenue, 12th Floor, New York, New York 10017.

2. Upon information and belief, Defendant Altice USA is a Delaware corporation, having its principal place of business at 1111 Stewart Avenue, Bethpage, New York 11714.

3. Upon information and belief, Defendant CSC Holdings is a Delaware limited liability company, having its principal place of business at 1111 Stewart Avenue, Bethpage, New York 11714.

4. Upon information and belief, Defendant Cablevision is a Delaware corporation, having its principal place of business at 1111 Stewart Avenue, Bethpage, New York 11714.

5. Upon information and belief, CSC Holdings and Cablevision are wholly owned subsidiaries of Altice USA.

6. Upon information and belief, CSC Holdings and Cablevision provide digital television entertainment services in at least New York, New Jersey, Connecticut, and Pennsylvania and, upon information and belief, have numerous customers in this judicial district.

7. Upon information and belief, CSC Holdings and Cablevision sell products and services under the Optimum brand name.

JURISDICTION AND VENUE

8. Subject matter jurisdiction is conferred upon this Court under 28 U.S.C. § 1338(a) because this is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*

9. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b), (c), (d), and 1400(b). Upon information and belief, the Defendants conduct business in this judicial district and the claims alleged in this Complaint arise in this judicial district, have taken place in this judicial district and continue to take place in this judicial district.

10. Personal jurisdiction over the Defendants exists because the Defendants (a) availed themselves of the privileges of conducting business in New York State and in this

judicial district, (b) regularly conduct and solicit business with New York State and in this judicial district, (c) have committed acts of patent infringement as alleged in the Complaint in New York State and in this judicial district, (d) committed tortious acts outside of New York State, the consequences of which the Defendants knew would be felt in New York State and in this judicial district, (e) have minimum contacts with this forum through its sale, offer for sale, and use of systems to provide advertisements for inclusion in digital television and/or video on demand in this judicial district in violation of Quantum Stream's patent rights. Thus, the Defendants should have reasonably expected to be into New York courts.

11. The United States District Court for the Southern District of New York has personal jurisdiction over the Defendants by virtue of the above-referenced facts.

BACKGROUND

The Patents-In-Suit

12. United States Patent No. 9,047,626 ("the '626 Patent"), entitled "Content Distribution System and Method," was duly and lawfully issued on June 2, 2015, based upon an application filed by inventor, Tayo Akadiri. A copy of the '626 Patent is attached as Exhibit A.

13. The owner of the '626 Patent, by assignment, is Quantum Stream, which has the exclusive right to sue and to recover damages for infringement of the '626 Patent.

14. United States Patent No. 9,117,228 ("the '228 Patent"), entitled "Content Distribution System and Method," was duly and lawfully issued on August 25, 2015, based upon an application filed by inventor, Tayo Akadiri. A copy of the '228 Patent is attached as Exhibit B.

15. The owner of the '228 Patent, by assignment, is Quantum Stream, which has the exclusive right to sue and to recover damages for infringement of the '228 Patent.

16. United States Patent No. 9,349,136 (“the ’136 Patent”), entitled “Content Distribution System and Method,” was duly and lawfully issued on May 24, 2016, based upon an application filed by inventor, Tayo Akadiri. A copy of the ’136 Patent is attached as Exhibit C.

17. The owner of the ’136 Patent, by assignment, is Quantum Stream, which has the exclusive right to sue and to recover damages for infringement of the ’136 Patent.

Defendants’ Infringing Systems

18. Defendants operate systems that provide customers with digital television entertainment services. Upon information and belief, these systems include servers and set-top boxes.

19. Defendants offer a large selection of digital channels, which provide digital video content, including digital video programs.

20. Defendants’ set-top boxes used in connection with its digital entertainment services and systems include, but are not limited to, Samsung SMT-C5320 (http://optimum.custhelp.com/app/answers/detail/a_id/2644), Scientific Atlanta 4200HD (http://optimum.custhelp.com/app/answers/detail/a_id/2131), Scientific Atlanta 4250HD (http://optimum.custhelp.com/app/answers/detail/a_id/1360), and Scientific Atlanta 8300HD (http://optimum.custhelp.com/app/answers/detail/a_id/2239). See http://optimum.custhelp.com/app/answers/detail/a_id/2240/~~/experiencing-hd-on-optimum-tv.

21. Defendants sell and/or offer to sell addressable advertising services to advertisers.

22. Defendants’ addressable advertising used to target advertising to its customers is described in Defendants’ materials, including

- <https://www.optimum.net/pages/PrivacyExisting.html> (Exh. D); and

- <http://www.cmstv.com/cablevision-local-ad-sales/addressable-advertising>
(Exh. E).

23. In connection with its digital entertainment services, Defendants' systems allow for addressable advertising in order to target advertisements to its customers, which is described in at least the following articles:

- *Cablevision works towards automation for programmatic linear TV*, videonet (Nov. 6, 2014) (Exh. F, <http://v-net.tv/2014/11/06/cablevision-works-towards-automation-for-programmatic-linear-tv/>);
- *Cablevision rolls out addressable advertising platform*, FierceCable (Apr. 30, 2015) (Exh. G, http://www.fiercecable.com/cable/cablevision-rolls-out-addressable-advertising-platform);
- *Cablevision 'TAPPs' Into the Power of Addressable Advertising*, Advertising Age (Apr. 30, 2015) (Exh. H, <http://adage.com/article/media/cablevision-tapps-power-addressable-advertising/298339/>);
- *Cablevision Says Audience Addressability Will Trump Cookies and Proxies*, adexchanger (May 4, 2015) (Exh. I, <http://adexchanger.com/digital-tv/cablevision-says-audience-addressability-will-trump-cookies-and-proxies/>);
- *Cablevision Finds Success with Census-Level, Impression-Based Ads*, Beet.TV (June 16, 2015) (Exh. J, <http://www.beet.tv/2015/06/kristindolan.html>);
- *Cablevision in Talks to License Advanced Ad App*, Multichannel (Sept. 14, 2015) (Exh. K, <http://www.multichannel.com/news/cable-operators/cablevision-talks-license-advanced-ad-app/393732/>);

- *GroupM Strikes Addressable Deal with Cablevision*, Advertising Age (Dec. 2, 2015) (Exh. L, <http://adage.com/article/media/groupm-strikes-addressable-ad-deal-cablevision/301557/>);
- *GroupM's Modi and Cablevision Forge Addressable TV Pact*, MediaPost Agency Daily (Dec. 2, 2015) (Exh. M, <http://www.mediapost.com/publications/article/263797/groupms-modi-and-cablevision-forge-addressable-tv.html>); and
- *Cablevision dives deeper into addressable TV ads and DAI with Google partnership*, FierceCable (Apr. 20, 2016) (Exh. N, <http://www.fiercecable.com/cable/cablevision-dives-deeper-into-addressable-tv-ads-and-dai-google-partnership>).

FIRST CLAIM FOR RELIEF

Patent Infringement Of United States Patent No. 9,047,626

24. Plaintiff repeats and realleges the preceding allegations as if restated in full herein.

25. Upon information and belief, Defendants have been and are directly infringing, either literally or under the doctrine of equivalents, the '626 Patent by making, using, offering to sell, and/or selling content distribution systems that include consumer device(s) and server interface(s), which provide video content and addressable advertising that meet all of the limitations of at least claim 1 of the '626 Patent in violation of 35 U.S.C. § 271(a), in this district and elsewhere within the United States, without authority.

26. For example, Defendants make, use, offer to sell, and/or sell a system for providing secondary content (*e.g.*, advertisements) for inclusion in video content (*e.g.*, TV and movie programs). The system comprising a consumer device (*e.g.*, set-top box), which has at least one network connector (*e.g.*, coaxial cable or Ethernet connector) for receiving secondary content selected based on targeted criteria (*e.g.*, consumer profiles and/or demographic

information) and for receiving: (a) video content having at least one vacancy (*e.g.*, at least one designated special or temporal region or period during which advertisements are inserted), and (b) information (*e.g.*, data such as one or more attributes) related to the video content (*e.g.*, type of video program and/or time duration/location of the vacancy). The consumer device includes at least one storage device (*e.g.*, one or more internal memories) for storing the secondary content and information (*e.g.*, data such as one or more attributes) related to the secondary content (*e.g.*, the type of advertisement, the duration of the advertisement, and/or information related to the advertisement or intended audience). The consumer device also includes at least one processor for inserting secondary content into the at least one vacancy of the video content, wherein the insertion is based on matching attributes associated with the vacancy (*e.g.*, type of program, and/or time duration/location of the vacancy) and attributes of the information related to the secondary content (*e.g.*, the type of advertisement, the duration of the advertisement, and/or information related to the advertisement or intended audience). The system also includes at least one server interface (*e.g.*, Ethernet, coaxial, or fiber optic interface) for transferring the video and secondary content to the consumer device. The consumer devices outputs the secondary content within the at least on vacancy of the video content.

27. Quantum Stream has been damaged by the infringement of the '626 Patent by Defendants and is suffering, and will continue to suffer, irreparable harm and damage as a result of this infringement unless such infringement is enjoined by this Court.

SECOND CLAIM FOR RELIEF

Patent Infringement Of United States Patent No. 9,117,228

28. Plaintiff repeats and realleges the preceding allegations as if restated in full herein.

29. Upon information and belief, Defendants have been and are directly infringing, either literally or under the doctrine of equivalents, the '228 Patent by making, using, offering to sell, and/or selling content distribution systems for targeting digital video advertisements to consumers that include server(s) and consumer device(s), which provide video content and addressable advertising that meet all of the limitations of at least claim 1 of the '228 Patent in violation of 35 U.S.C. § 271(a), in this district and elsewhere within the United States, without authority.

30. For example, Defendants make, use, offer to sell, and/or sell a system for targeting digital video advertisements to consumers. The system comprises multiple servers (*e.g.*, at least one server such as digital video content distribution server(s)) and each server comprises at least one network connector (*e.g.*, Ethernet, coaxial or fiber optic connector). A server (*e.g.*, digital video content distribution servers) is connected to at least one consumer device (*e.g.*, set-top box) over a network (*e.g.*, back-end and/or satellite network). A server is configured to transmit a digital video program (*e.g.*, TV and movie programs) to the at least one consumer device through the first network connector and over the network. At least one vacancy (*e.g.*, at least one designated spatial or temporal region or period during which advertisements are inserted) is associated with the digital video program. The system also includes a server comprising at least one storage device (*e.g.*, internal memory) for storing a plurality of digital video advertisements wherein at least one digital video advertisement has at least one attribute (*e.g.*, type of advertisement, the duration of the advertisement, and/or other information related to the advertisement or intended audience). The system has a server comprising at least one processor configured to select at least one digital video advertisement from the plurality of digital video advertisements. The selection is based on comparing targeted criteria (*e.g.*,

consumer profiles and/or demographic information) to the at least one attribute of the at least one digital video advertisements. The server in the system which stores advertisements includes at least one second network connector (*e.g.*, Ethernet, coaxial or fiber optic connector) and is connected to the consumer devices over the network (*e.g.*, backend and/or satellite network), and is configured to transmit the selected advertisements to the consumer devices through the second network connector over the network. The system further includes at least one consumer device which includes a third network connector (*e.g.*, coaxial or Ethernet connector). The at least one consumer device is configured to receive the digital video program and the selected advertisement through the third network connector and over the network. The at least one consumer device includes at least one processor configured to insert the selected advertisement into the at least one vacancy as the consumer is viewing the digital video program.

31. Quantum Stream has been damaged by the infringement of the '228 Patent by Defendants and is suffering, and will continue to suffer, irreparable harm and damage as a result of this infringement unless such infringement is enjoined by this Court.

THIRD CLAIM FOR RELIEF

Patent Infringement Of United States Patent No. 9,349,136

32. Plaintiff repeats and realleges the preceding allegations as if restated in full herein.

33. Upon information and belief, Defendants have been and are directly infringing, either literally or under the doctrine of equivalents, the '136 Patent by making, using, offering to sell, and/or selling content distribution systems for targeting digital video advertisements to consumers that include server(s) and consumer device(s), which provide video content and addressable advertising that meet all of the limitations of at least claim 1 of the '136 Patent in

violation of 35 U.S.C. § 271(a), in this district and elsewhere within the United States, without authority.

34. For example, Defendants make, use, offer to sell, and/or sell a system for targeting digital video advertisements to consumers. The system comprises at least one first server (*e.g.*, digital video content distribution server) comprising a first network connector (*e.g.*, Ethernet, coaxial, or fiber optic connector), wherein the at least one first server is connected to at least one consumer device (*e.g.*, set-top box) over a network (*e.g.*, back-end and/or satellite network) and is configured to transmit a digital video program (*e.g.*, TV and movie programs), having at least one vacancy (*e.g.*, at least one designated spatial or temporal region or period during which advertisements are inserted), to the at least one consumer device through the first network connector and over the network. The system also comprises at least one consumer device comprising at least one second network connector (*e.g.*, Ethernet or coaxial connector), wherein the at least one consumer device is configured to receive, through the at least one second network connector, the digital video program from the at least one first server and the digital video advertisements from at least one second server (*e.g.*, digital video advertising content distribution server). At least one of the digital video advertisements is selected for transmission to the at least one consumer device based on comparing targeted criteria (*e.g.*, consumer profiles and/or demographic information) to at least one attribute of the at least one of the digital video advertisements (*e.g.*, type of advertisement, the duration of the advertisement, and/or other information related to the advertisement or intended audience). The at least one of the consumer devices also comprises at least one processor configured to insert the selected at least one of the digital video advertisements into the at least one vacancy of the digital video program.

35. Quantum Stream has been damaged by the infringement of the '136 Patent by Defendants and is suffering, and will continue to suffer, irreparable harm and damage as a result of this infringement unless such infringement is enjoined by this Court.

REQUESTED RELIEF

WHEREFORE, Quantum Stream demands judgment as follows:

- A. A finding that Defendants infringe one or more claims of the '626 Patent;
- B. A finding that Defendants infringe one or more claims of the '228 Patent;
- C. A finding that Defendants infringe one or more claims of the '136 Patent;
- D. A permanent injunction enjoining Defendants, their officers, agents, servants, employees, and attorneys, and all persons acting in concert or participation with any of them from infringing the '626, '228, and '136 Patents;
- E. An award of damages under 35 U.S.C. § 284 (or as otherwise permitted by law) adequate to compensate Quantum Stream for the infringement by Defendants along with prejudgment and postjudgment interest;
- F. An award of Quantum Stream's costs and attorney fees and expenses pursuant to 35 U.S.C. § 285 or as otherwise permitted by law; and
- G. An award of such other costs and further relief that this Court determines to be just and equitable.

DEMAND FOR TRIAL BY JURY

Pursuant to Fed. R. Civ. P. 38(b), Quantum Stream hereby demands a jury trial on all issues so triable.

Respectfully submitted,
LERNER, DAVID, LITTENBERG,
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Dated: November 4, 2016

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CERTIFICATION PURSUANT TO LOCAL CIVIL RULE 1.6(a)

The undersigned hereby certifies, pursuant to Local Civil Rule 1.6(a), that with respect to the matter in controversy herein, neither Plaintiff Quantum Stream Inc. nor its attorneys are aware of any other action pending in any court, or of any pending arbitration or administrative proceeding, to which this matter is subject.

Respectfully submitted,
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Attorneys for Plaintiff Quantum Stream Inc.

Dated: November 4, 2016

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