

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

WAG ACQUISITION, L.L.C.,

Plaintiff,

v.

TECHNIUS LTD., d/b/a stripchat.com,

Defendant.

No. 2:24-cv-00714

**JURY TRIAL DEMANDED**

**ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff WAG ACQUISITION, L.L.C., for its original complaint for patent infringement against Technius Ltd., d/b/a stripchat.com, alleges as follows.

**PARTIES**

1. Plaintiff WAG Acquisition, L.L.C. (“Plaintiff” or “WAG”) is a New Jersey limited liability company with its principal place of business at 275 Route 10 East, Suite 220-313, Succasunna, New Jersey 07876.

2. On information and belief, Defendant Technius Ltd., d/b/a stripchat.com (“Defendant” or “Stripchat”) is a limited liability company organized under the laws of Cyprus, with offices at 334 Agiou Andreou Ag., Andreou Business Center, 2<sup>nd</sup> Floor, Limassol, Cyprus.

3. Defendant operates internet adult content interactive “webcam” sites, including without limitation the stripchat.com website and related “affiliate” and “white label” sites. Defendant’s servers, including in the U.S., receive live internet feeds of video from numerous webcam performers, and stream those performances to numerous users, including users in the U.S.

## **JURISDICTION AND VENUE**

4. The Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*

5. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1400(b) because Defendant is a foreign corporation.

6. This Court has personal jurisdiction over Defendant under at least Rule 4(k)(2), Fed. R. Civ. P., in that Defendant is a foreign entity not subject to jurisdiction in any state's courts of general jurisdiction but which has continuous and systematic business contacts with the United States, such that exercising jurisdiction over Defendant is consistent with the United States Constitution and laws. Defendant's business contacts with the U.S. include a substantial audience of paying customers in the U.S., including in the State of Texas. Defendant's U.S. activity is also reflected by its registration of a U.S. trademark for "STRIPCHAT" for an online web site in the field of adult entertainment, representing that Defendant had and has an intent to use the mark in commerce with the United States, which registration was applied for on February 15, 2017 and granted on June 4, 2019. Defendant has widely engaged in such commerce, and as a portion of such activities, transacts business within this District and elsewhere in the State of Texas. Further, this Court has personal jurisdiction over Defendant based on its commission of one or more acts of infringement of the patents-in-suit in this District and elsewhere in the State of Texas.

## **THE ASSERTED PATENTS**

7. WAG owns United States Patent Nos. 10,567,453 (the "'453 patent"), 8,364,839 (the "'839 patent"), and 8,185,611 (the "'611 patent"), referred to collectively herein as the "Asserted Patents."

8. The Asserted Patents were respectively duly and legally issued, and later expired, on the dates set forth below.

U.S. Patent No.	Issued	Expired
10,567,453	Feb. 18, 2020	Sep. 4, 2022
8,364,839	Jan. 29, 2013	Mar. 28, 2021
8,185,611	May 22, 2012	Mar. 28, 2021

The entire content of each of the Asserted Patents is incorporated herein by reference.

9. The subject matter claimed in the Asserted Patents was developed in the course of business of SURFERNETWORK.COM, INC. (“SurferNETWORK”), a legal predecessor entity of WAG, and all rights therein were assigned by Harold Price (the sole inventor) to said predecessor entity. Through a continuous chain of assignments from Mr. Price and through said predecessor entity, duly recorded in the United States Patent and Trademark Office, WAG is the record owner of the entire interest in the Asserted Patents and all rights to recover for infringement thereof and holds and has held all substantial rights therein at all times material hereto. WAG has the sole and exclusive standing to enforce the Asserted Patents, bring these causes of action, and recover for past infringement of the Asserted Patents.

10. The Asserted Patents, to the extent of the claims asserted herein, are valid, enforceable, and were duly issued pursuant to Title 35 of the United States Code.

11. WAG has complied with the applicable marking provisions of 35 U.S.C. § 287(a) with respect to the Asserted Patents at all times relevant hereto.

12. The Asserted Patents share a common disclosure, which concerns technological solutions to the severe problems that Plaintiff’s predecessor, SurferNETWORK, recognized in then-current efforts to provide streaming media over the internet. Prior to these inventions, internet streaming implementations suffered chronically from slow, stuttering startup and frequent interruptions. When a user first clicked to begin playback of streaming media, a significant period of “buffering” would begin, during which period the user would typically only see an hourglass. After clicking on a stream, the user would have to wait until the player accumulated sufficient content over its internet connection for the program to start, and the

lengthy startup delay would often have to be repeated during playback, for rebuffering, if line conditions caused a later interruption. These effects resulted in user frustration, which kept internet streaming from being competitive with other forms of audio and/or video media, such as radio and TV. Numerous efforts were made by others to improve the situation by attempting to control (*e.g.*, meter) the rate of delivery of media from the server to match to inferred needs and capabilities of the player, to keep the player in sync with the server so as to reduce the need for rebuffering, but these efforts continued to suffer from significant delays for the player to build up an initial playback buffer and proved unable to respond adequately to unexpected changes in internet connection quality.

13. SurferNETWORK sought a solution that would jump start internet media playback to achieve the perception of “Instant On” and provide an internet user an experience akin to what ordinarily happened when turning on a transistor radio. The Asserted Patents reflect that solution, for the first time providing a user experience for streaming over the internet that was comparable to the immediacy and continuity that the user enjoyed with ordinary radio and television.

14. Rather than to try to “meter” or “clock-out” data from the server in order to establish a delivery rate approximating playback for streaming, WAG’s solution rearranged the previously practiced order of operations in the streaming media server, to *pre-buffer* the media on the server side of the connection (which could be done on the server side without user-perceptible delay), and, when a predetermined level of prefill was present, to deliver the streaming media to the user computer by way of the server’s internet transport mechanism, as fast as the transport mechanism would allow. Streaming media data elements sent in this manner would be sent at the maximum speed available, thereby improving utilization of available bandwidth. The result was a more rapid streaming startup, which at the same time also quickly filled a playback buffer on the user computer, which served to protect the remainder of the transmitted stream from mid-stream delays and interruptions. WAG’s technique was highly effective and was rapidly adopted throughout the internet streaming business.

15. Implementations disclosed in the Asserted Patents provide further advantages, for example where a live program is simultaneously streamed to many users. Under prior art implementations it would have been customary in such a case for the server software to have provisioned a separate server-side buffer for each user, or simply to serve the latest available data element as it arrived. The Asserted Patents disclose and claim streaming a live program to a plurality of users from a single, common server-side buffer, even though at any given time the various users may be at different points in the stream. This technique provides significant advantages, such as avoiding having to provision a separate server-side buffer for each user, thus conserving the server's memory resources, among other benefits, and this multi-user implementation meshes with the pre-buffering approach described above, which is still practiced for each user in the plurality of users consuming the stream.

16. Defendant's internet delivery of streaming video from its media servers, including media servers in the United States, has deployed and used methods of operation, systems, and computer-recorded media that infringe each of the Asserted Patents.

#### **COUNT I: DIRECT INFRINGEMENT OF THE '453 PATENT**

17. Plaintiff repeats and realleges the allegations of paragraphs 1-16 above as if fully set forth at length herein.

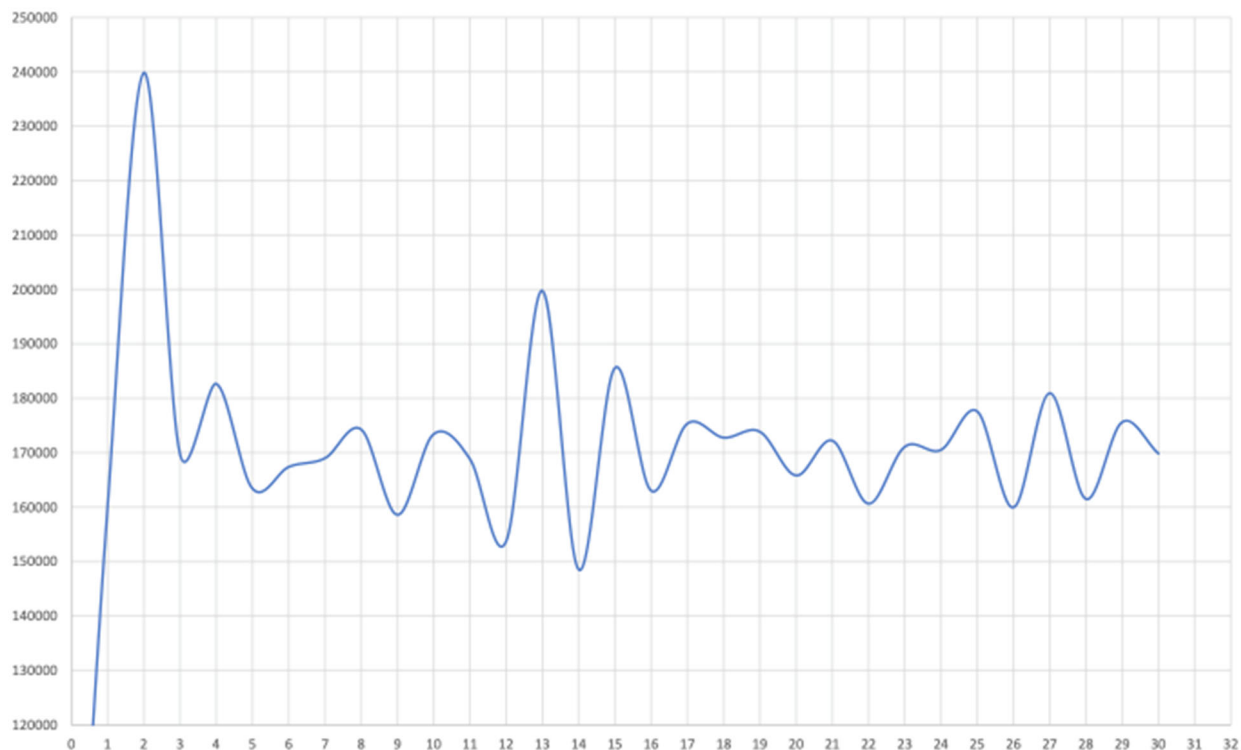
18. Defendant has directly infringed the '453 patent in violation of 35 U.S.C. § 271(a) by practicing the claims thereof, without authorization and in the United States, during the term thereof (as alleged herein), by conduct as hereinafter more particularly alleged.

19. Plaintiff alleges infringement based in part on what can be directly observed while a user uses Defendant's streaming services. One observable effect of the techniques claimed in the Asserted Patents, which is common to the operation of the patent claims pertinent herein, and highly characteristic of the practice of those claims, is that the stream received by the user computer will show an initial burst of data when streaming begins, followed by continued sustained transmission at about the playback rate. During the initial burst, the data sent during

the startup will have timestamps reflecting that the initial data covers a substantially longer period of playback than the startup period. Defendant's services have been observed to operate in this manner.

20. Defendant's steaming during the term of the '453 patent reflected a characteristic initial burst of data, as described in paragraph 19, when a user connects to a performer stream. In the following, reference is drawn to claim 1 of the '453 patent by way of example.

21. The following figure shows a time graph (in seconds) of the volume of received data from a representative packet capture from a streaming session with stripchat.com during the term of the '453 patent, believed to be representative of stripchat.com's operations for the times material hereto, for a viewer who has clicked on the provided thumbnail on the Defendant's site home page, for a selected available performer:



The above figure reflects an initial burst of data characteristic of practicing the asserted claims.

22. With respect to claim 1 of the '453 patent (as one example), the data shown in the above figure consists of mpeg-encoded media, which comprises bytes of “streaming media encoded as a plurality of sequential frames adapted for playback at a predetermined playback rate and comprising a plurality of sequential data elements.”

23. On information and belief, Defendant maintained ongoing feeds to its bank of servers from a substantial plurality of live performers in real time, and buffered each of the incoming streams on its servers, corresponding to “filling a server buffer allocated in a memory of the server, from a media source, at a constant fill rate equal to the playback rate,” as recited in claim 1 of the '453 patent.

24. A user, clicking on one of Stripchat’s model thumbnails, will thereby request to join that performer’s stream, and Defendant’s server will receive the request (“receiving via data communications at a server a request from a user computer for the streaming media”). Due to the ongoing live nature of a performer’s feed for that stream, the server’s buffer for the stream will generally already be “filled to a predetermined level” at that time, and the server will “begin delivery of the streaming media to the user computer,” as recited in claim 1 of the '453 patent.

25. The media itself is encoded at a variable bit rate, which introduces some variation in bytes per second received during continued streaming, as seen in the right-side of the above figure. Once the display begins to render, the transmission rate corresponds to the playback rate. However, transmission at the beginning of the connection, for nearly two seconds in this example, is considerably faster, meaning that (in this example) about four seconds’ worth of data is accumulated in the client-side buffer before playback begins. Playback can also begin before the initial burst of data has been fully received at the user computer, providing a rapid streaming startup.

26. Defendant’s servers also used a transport mechanism as claimed, at relevant times using protocols such TCP and WebRTC to transport streams to internet users. Defendant’s servers use the transport mechanism “to send sequential data elements of the streaming media from the server buffer to the user computer,” by which the server sends an initial buffer load of

data (corresponding to the initial burst) as fast as the connection to the user will allow, which would generally be faster than the playback rate (as reflected in the example shown). After the initial buffer load had been sent from the server, data that arrives at the server thereafter is passed through the server and transmitted by the transport mechanism as fast as possible (again, generally, faster than the playback rate), thus meeting the remainder of the claim language for the example of claim 1 of the '453 patent (“whenever, after said beginning delivery of the streaming media to the user, there are unsent sequential data elements in the server buffer, sending, from the server to the user computer, as much of said unsent sequential data elements that are in the server buffer as said transport mechanism will accept, at a sending rate in excess of the playback rate”).

27. All limitations of at least claim 1 of the '453 patent were thus met by Defendant's conduct as alleged herein, literally or under the doctrine of equivalents.

28. As another example, Defendant also transmits performer streams concurrently to multiple viewers in a manner that directly infringes at least claim 8 of the '453 patent. Observation of Stripchat streams reflects that the live video feeds of at least Defendant's top performers are generally each being viewed by a plurality of concurrent viewers, and there is no observable delay to build a server-side buffer in advance for each new viewer, reflecting that each user draws from an existing, common server-side buffer, such that Defendant is serving concurrent users out of a single buffer for the stream, tracking their positions in the stream, thereby “maintaining a record of the last streaming media data element that had been sent from the server buffer to the user system, and using the record to identify the next streaming media data element in the server buffer to be sent to the user system,” as recited in at least claim 8 of the '453 patent.

29. Pursuant to 35 U.S.C. § 284, Plaintiff is entitled to not less than a reasonable royalty for Defendant's infringing use of the '453 patent, in an amount subject to proof at trial, together with interest and costs as fixed by the Court.



30. Plaintiff is entitled to recover all past damages so sustained by Plaintiff as a result of Defendant's infringement alleged herein.

**COUNT II: DIRECT INFRINGEMENT OF AT LEAST CLAIM 7  
OF THE '839 PATENT**

31. Plaintiff repeats and realleges the allegations of paragraphs 1-30 above as if fully set forth at length herein.

32. Defendant's conduct as set forth in Count I also directly infringed at least claim 7 of the '839 patent in violation of 35 U.S.C. § 271(a). With respect to claim 7 of the '839 patent, said conduct, reflected in the initial received burst of data as alleged in paragraph 2522, likewise entails preloading a server buffer ("loading the server buffer with streaming media data elements") and sending its contents at an initial sending rate more rapid than the playback rate sufficient for the user system to begin playing ("sending an initial amount of streaming media data elements to the user system at an initial sending rate more rapid than the playback rate ... wherein the initial amount of streaming media data elements, and the initial sending rate, are sufficient for the user system to begin playing back the streaming media while the user buffer continues to fill"), followed by transmission at about the playback rate ("thereafter, sending further streaming media data elements to the user system at about the playback rate and filling the server buffer or moving a data window through the server buffer at about the playback rate ... wherein the further streaming media data elements are received at about the playback rate by the user system if there are no interruptions in the transmission of streaming media data elements between the server and the user system"). The transport mechanisms that Defendant used, as alleged in paragraph 26, detect ACKs and/or NACKs from the client ("detecting if any interruptions in the transmission of streaming media data elements between the server and the user system have occurred such that streaming media data elements that have been sent by the server to the user system have been delayed or not received by the user system"), and, as alleged in paragraph 28, distributes a stream to a plurality of users using a record of the last streaming

media data element sent to the user system to identify the next streaming media data element to send (“maintaining a record of the last streaming media data element that had been sent to the user system, and using the record to identify the next streaming media data element to be sent to the user system”), meeting those and all other limitations of claim 7 of the ’839 patent, literally or under the doctrine of equivalents.

33. Pursuant to 35 U.S.C. § 284, Plaintiff is entitled to not less than a reasonable royalty for Defendant’s infringing use of the ’839 patent, in an amount subject to proof at trial, together with interest and costs as fixed by the Court.

34. Plaintiff is entitled to recover all past damages so sustained by Plaintiff as a result of Defendant’s infringement alleged herein.

### **COUNT III: DIRECT INFRINGEMENT OF THE ’611 PATENT**

35. Plaintiff repeats and realleges the allegations of paragraphs 1-34 above as if fully set forth at length herein.

36. Defendant’s conduct as set forth in Count I also directly infringed at least claims 1, 2, and 6 of the ’611 patent, in violation of 35 U.S.C. § 271(a). Said conduct, as reflected in the initial burst of data shown in paragraph 25, likewise entails, as recited in claim 1 of the ’611 patent, “sending initial streaming media elements to the user system at an initial sending rate more rapid than the playback rate, to fill the user buffer,” where “the amount of [the] initial elements, and [the] initial sending rate, are sufficient for the user system to begin playback while the user buffer continues to fill.” The same allegations also reflect that “[a]fter the user buffer has been filled” (as alleged in Count I), Defendant’s server “send[s] further streaming media data elements to the user system at about the playback rate.” As alleged in Count I (paragraph 23), the feeds from Defendant’s performers’ webcams fill server buffers on Defendant’s servers at a constant fill rate. Because of the operation of the server’s transport mechanism (*see* paragraph 26), after the server’s buffer has been emptied as a result of sending the observed initial burst of data upon connection, data arrives at the server thereafter at the same rate it is being consumed

by the client, such that the data sent by the server from what it is receiving from the performers at the playback rate is received at the same rate by the user computer if there are no interruptions in the transmission of media data between the server and the user's computer ("the media data elements is sent at a rate that matches the constant fill rate of a server buffer, and is received at the same rate by the user computer if there are no interruptions in the transmission of media data between the server and the user's computer"). Defendant's conduct thereby met those and all other limitations of claim 1 of the '611 patent, literally or under the doctrine of equivalents.

37. Defendant likewise directly infringed claim 2 of the '611 patent by reason of making an initial data transfer faster than the playback rate "sufficient for the user system to begin playing back the streaming media while the user buffer continues to fill," as alleged in paragraph 26, and infringed 6 of the '611 patent by using media encoded at a variable bitrate as alleged in paragraph 25.

38. Pursuant to 35 U.S.C. § 284, Plaintiff is entitled to not less than a reasonable royalty for Defendant's infringing use of the '611 patent, in an amount subject to proof at trial, together with interest and costs as fixed by the Court.

39. Plaintiff is entitled to recover all past damages so sustained by Plaintiff as a result of Defendant's infringement alleged herein.

### **DEMAND FOR JURY TRIAL**

Plaintiff demands trial by jury on all issues.

### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff WAG ACQUISITION, L.L.C. requests an entry of judgment in its favor and against Defendant as follows:

- a. Declaring that Defendant infringed United States Patent Nos. 10,567,453, 8,364,839, and 8,185,611;

- b. Awarding to Plaintiff damages arising out of Defendant's infringement of United States Patent Nos. 10,567,453, 8,364,839, and 8,185,611;
- c. Awarding attorneys' fees, costs, or other damages pursuant to 35 U.S.C. §§ 284 or 285 or as otherwise permitted by law, against the Defendant;
- d. Awarding costs in this action to Plaintiff; and
- e. For such other and further relief as the Court may deem just and proper.

Date: August 30, 2024

Respectfully submitted,

By: /s/ Wasif H. Qureshi  
Wasif H. Qureshi  
wqureshi@jw.com  
**JACKSON WALKER LLP**  
1401 McKinney, Suite 1900  
Houston, Texas 77010  
Telephone: (713) 752-4521

David G. Liston (*pro hac vice forthcoming*)  
[david.liston@listonabramson.com](mailto:david.liston@listonabramson.com)  
Ronald Abramson (*pro hac vice forthcoming*)  
[ron.abramson@listonabramson.com](mailto:ron.abramson@listonabramson.com)  
Liston Abramson LLP  
The Chrysler Building  
405 Lexington Avenue, 46th Floor  
New York, NY 10174  
212-257-1630

**COUNSEL FOR WAG ACQUISITION,  
L.L.C.,**