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Portfolio Media, Inc. | 860 Broadway, 6th Floor | New York, NY 10003 | [www.law360.com](http://www.law360.com)  
Phone: +1 646 783 7100 | Fax: +1 646 783 7161 | [customerservice@portfoliomedia.com](mailto:customerservice@portfoliomedia.com)

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## PACid Launches New Suit Over Data Encryption Patents

By **Pete Brush**

Law360, New York (March 29, 2010) -- Patent-holding company PACid Group LLC has fired off a new infringement suit over two network encryption patents, targeting about a dozen technology companies including Sony Corp., Motorola Inc., Nikon Corp. and Microsoft Corp.

The complaint, lodged Friday in the U.S. District Court for the Eastern District of Texas, seeks judgments of infringement, injunctive relief, damages and interest on a slew of hugely popular electronics products.

The suit asserts U.S. Patent Numbers 5,963,646, titled "Secure deterministic encryption, key generator system and method," and 6,049,612, titled "File encryption method and system."

According to the complaint, each of the defendants infringes the '646 patent by selling wireless routers, disc players, notebook computers and other products that contain instructions to generate the encryption keys that are used to protect wireless data transmissions.

The suit targets Sony's notebook computers, digital cameras and Blu-ray disc players; Motorola's Droid cell phone; Sony's cameras outfitted with wireless data transmitters; and Microsoft's Zune media player and Xbox 360 wireless networking adapter.

All together, the products bring in tens of billions of dollars worldwide for the defendants.

Other named defendants include Asustek Computer Inc., Samsung Electronics Co. Ltd. and Nintendo Co. Ltd.

Representatives for several of the defendants declined to comment or did not immediately respond to requests for comment Monday. An attorney for the plaintiff also did not

immediately respond to a request for comment.

The instant suit is related to an action PACid filed in July against Cisco Systems Inc. and Belkin International Inc, among others. In December 2009, Siemens AG and several other defendants reached a settlement in that case.

PACid also filed suit in March 2009 against 19 defendants, including Apple Inc., Dell Inc., Intel Corp., Broadcom Corp. and Hewlett-Packard Co., alleging infringement of the technology. HP, Dell, Apple, Lenovo Inc., Thomson Inc. and Realtek Semiconductor Corp. have reached settlements in that litigation.

The patents-in-suit in the current matter are U.S. Patent Numbers 5,963,646 and 6,049,612.

The plaintiff is represented by Spangler Law PC, Russ August & Kabat and Patrick R. Anderson PLLC.

Counsel information for the defendants was not immediately available.

The case is PACid Group LLC v. Asustek Computer Inc. et al., case number 10-cv-00108, in the U.S. District Court for the Eastern District of Texas.

--Additional reporting by Julie Zeveloff

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