

Anyone who knows me knows I'm not a fan of Patent Trolls. Actually, there are only a few areas in which I'm a fan of patents at all. The lawsuits filed against Magnolia (and Apple, Amazon and Weinstein Companies) are perfect examples of why. **In this case a company was able to get a patent on the downloading of movies over cellular networks , but only for movies that have not been released in theaters yet.**

**Could there be a more ridiculous patent ever issued ?**

**Follow the logic here.** If Magnolia, which distributes movies and pioneered the release of movies before they are in theaters, something we called UltraVOD and have done since 2004 , decides to make movies available for download via cellular to mobile devices, **we have not violated the patent. IT IS ONLY WHEN WE DECIDE TO SHOW THAT MOVIE IN A THEATER that we have violated the Patent.** Huh ?

Does that make any sense to anyone ?

Here is what makes it even crazier. You have to own the rights to the movie before you can decide its distribution strategy. In the movie business, its difficult to sell a movie before its theatrical release simply because none of the big theater chains will release a movie that has already been released on other platforms, whether cellular, download, VOD, whatever. There are some independent theaters that will. Magnolia is able to do it because we also own the Landmark Theater Chain and we can work with the independents to expand the theatrical distribution.

When you look at the VOD or PPV or on Amazon or iTunes and see "Before its in theaters" movies for sale or rent or PPV, that is a category that we created and grew to where it is today.

This patent is not protecting a business the Troll came up with. Its not protecting an invention they created. They were not operating in this business in any way shape or form that i can find. They simply took the obvious idea that if movies can be downloaded and released via the internet, they same thing will happen via cellular data. And they probably noticed what we were doing back in 2004 and decided to try to patent it. Well they got the patent. Amazing!

The following is from the complaint.

1. This is a patent infringement action by Red Pine against Amazon, an online retailer and manufacturer, and Magnolia, a movie distributor. As detailed below, Red Pine has been harmed by Amazon's and Magnolia's unlawful use of Red Pine's patents for commercial purposes.

## II. JURISDICTION AND VENUE

2. This action arises under the patent laws of the United States, 35 U.S.C. §§ 101 et seq. This court therefore has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

3. This Court may exercise personal jurisdiction over Amazon and Magnolia pursuant to the Illinois long-arm statute, 735 ILCS § 5/2-209. Amazon and Magnolia conduct continuous and systematic business in Illinois and this District. For example, Amazon sells the

Case: 1:14-cv-00274 Document #: 1 Filed: 01/15/14 Page 2 of 7 PageID #:2

Kindle Fire, a tablet computer, in this District. The Kindle Fire **allows users to download and view feature length films like Best Man Down before the films are publicly available to view in movie theaters or on DVD.** As will be described below, these patent-infringement claims arise directly from Amazon's and Magnolia's continuous and systematic activity in this District. This Court's exercise of jurisdiction over Amazon and Magnolia would thus be consistent with 735 ILCS § 5/2-209, and traditional notions of fair play and substantial justice.

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

## III. PARTIES

Plaintiff

5. Red Pine is a limited liability company organized under the laws of Nevada. Red Pine's principal place of business is located in Wadsworth, Ohio.

if you have any insights or thoughts into Red Pine and their lawyers I would love to hear them. Below are the patents and the complaints.

[patent1magnolia](#)

[patent2magnolia](#)

[Complaint 1-14-cv-00292](#)

[Complaint 1-14-cv-00274](#)