

(ENDORSED)  
**FILED**

MAR - 8 2012

DAVID H. YAMASAKI  
Chief Executive Officer/Clerk  
Superior Court of CA County of Santa Clara  
BY Felicia Samoy DEPUTY

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SANTA CLARA  
(UNLIMITED JURISDICTION)

DVD COPY CONTROL ASSOCIATION,  
INC., a Delaware corporation,

Plaintiff,

v.

KALEIDESCAPE, INC., a Delaware  
corporation,

Defendant.

Case No. 1:04-CV-031829

**JUDGMENT**

Complaint Filed: December 7, 2004  
Trial Date: November 14, 2011  
Dept.: 16  
Judge: Hon. William J. Monahan

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1 The parties appeared before this Court for a bench trial that began on November 14, 2011. The  
 2 trial was on the claim of Plaintiff DVD Copy Control Association, Inc. ("DVDCCA" or "Plaintiff")  
 3 that Defendant Kaleidescape, Inc. ("Kaleidescape") has breached the "CSS License Agreement,"  
 4 which the parties entered into in September 2002. At trial, witnesses were sworn and testified, and  
 5 documents were admitted into evidence. Closing arguments were heard on December 7, 2011.

6 Following the trial, the Court issued a Statement of Decision, dated April 8, 2012. In its  
 7 Statement of Decision, the Court found, after considering the parties' arguments and the credibility of  
 8 testifying witnesses, and weighing the evidence that the parties submitted, that Kaleidescape has  
 9 breached the CSS License Agreement and that permanent injunctive relief should be entered against  
 10 Kaleidescape to remedy that breach. Consistent with the Statement of Decision, **IT IS HEREBY**  
 11 **ORDERED, ADJUDGED, AND DECREED:**


12 1. Judgment is entered in favor of DVDCCA and against Kaleidescape on DVDCCA's  
 13 claim for breach of the CSS License Agreement.

14 2. A permanent injunction is entered against Kaleidescape to remedy that breach. This  
 15 Court retains continuing jurisdiction over the Parties and the Action for purposes of enforcing this  
 16 Permanent Injunction.

17 3. Plaintiff is awarded costs against Kaleidescape in the amount of \$ \_\_\_\_\_.  
 18 **IT IS SO ORDERED.**

19  
 20 Dated: April 8, 2012

Signed: \_\_\_\_\_

  
 21 **William J. Monahan**  
 22 **Judge of the Superior Court**

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INC., a Delaware corporation,

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KALEIDESCAPE, INC., a Delaware  
corporation,

Defendant.

Case No. 1-04-CV-031829

**PERMANENT INJUNCTION ORDER**

Complaint Filed: December 7, 2004  
Trial Date: November 14, 2011  
Dept.: 16  
Judge: Hon. William J. Monahan

1 The above-captioned Action between Plaintiff DVD Copy Control Association, Inc. and  
2 Defendant Kaleidescape, Inc. ("Kaleidescape") (collectively "the Parties") having been tried to the  
3 Court, and having determined that Kaleidescape is in breach of the CSS License Agreement, the Court  
4 hereby enters the following Permanent Injunction pursuant to its Statement of Decision dated April 8,  
5 2012, and Judgment entered April 8, 2012:

6 IT IS ORDERED THAT:

7 1. Capitalized terms in this Order shall be defined in accordance with the CSS Procedural  
8 Specifications (PRX 9) unless otherwise defined herein.

9 a. The term "DVD Playback Product" means any device or combination of  
10 components, or software that is capable of decrypting a Disc Key, decrypting a Title  
11 Key or descrambling a Title using CSS, including without limitation any such  
12 device or combination of components or software that also performs Authentication.

13 b. The term "Authentication" means any application of CSS that utilizes the CSS  
14 Authentication Algorithm and Authentication Key.

15 c. The term "persistent copy" (of a Disc Key or Title Key(s)) means a copy that  
16 remains when playback of the Title(s) associated with such Disc Key or Title Key(s)  
17 is not occurring.

18 d. The term "persistent copy" (of a Title) means a copy of a Title that remains when  
19 playback of the Title is not occurring.

20 e. The term "playable copy" means a copy of a Title from a DVD Disc made for  
21 purposes of allowing playback of the Title without obtaining the Title from the DVD  
22 Disc.

23 2. Pursuant to California Code of Civil Procedure Section 526, and California Civil Code Section  
24 3384, to prevent casual users from making unauthorized copies of copyrighted materials recorded on  
25 CSS-protected DVD Discs, Kaleidescape, its subsidiaries and affiliated companies, including but not  
26 limited to Kaleidescape Canada, Inc., and their agents, servants, directors, officers, principals,  
27 employees, representatives, assigns, franchisees, and those acting in concert with them or at their  
28 direction, are hereby permanently restrained and enjoined from directly or indirectly making, having

1 made, selling, offering to sell, marketing, importing or otherwise transferring any DVD Playback  
2 Product unless such DVD Playback Product:

- 3 a. obtains the Disc Key and Title Key(s) from a DVD Disc each time one or more
- 4 Titles is to be played back;
- 5 b. ensures that the DVD Disc is physically present in the DVD Playback Product when
- 6 playback of one or more Titles from such DVD Disc is occurring;
- 7 c. does not make a persistent copy of any encrypted or unencrypted Disc Key or Title
- 8 Key(s); and
- 9 d. does not make any persistent playable copy of any Title.

10 Any DVD Playback Product that does not satisfy subsections 2(a) - (d) is referred to herein as  
11 "Prohibited Technology."

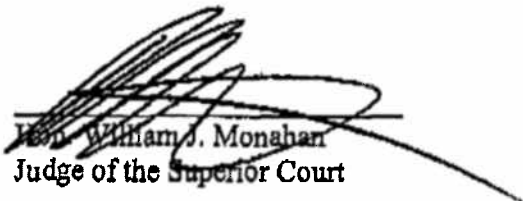
12 3. IT IS FURTHER ORDERED that Kaleidescape is enjoined from:

- 13 a. directly or indirectly transferring to third parties any intellectual property or know-  
14 how incorporating Prohibited Technology;
- 15 b. facilitating third parties in developing, designing, manufacturing, distributing,  
16 importing, selling, or offering to sell any Prohibited Technology;
- 17 c. using or implementing CSS to develop, design, manufacture, distribute, import, sell,  
18 or offer to sell products that make persistent playable copies of CSS-protected  
19 Titles; and
- 20 d. directly or indirectly providing any support services that include Prohibited  
21 Technology to third parties, including but not limited to the provision of updates and  
22 upgrades to software and hardware.

23 4. This Court retains continuing jurisdiction over the Parties and the Action for purposes of  
24 enforcing this Permanent Injunction.

25 IT IS SO ORDERED.

26 Dated: April 8, 2012

27 

28 **William J. Monahan**  
Judge of the Superior Court