IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ANACONDA, INC.,	)	
	)	
Plaintiff,	)	C.A. No. _____
	)	
v.	)	
	)	**DEMAND FOR JURY TRIAL**
INTEL CORPORATION,	)	
	)	
Defendant.	)	

COMPLAINT

Plaintiff Anaconda, Inc. ("Anaconda" or "Plaintiff") brings this complaint against Defendant Intel Corporation ("Intel" or "Defendant") and alleges as follows:

NATURE OF THE ACTION

1. This is a civil action for the infringement, under the copyright laws of the United States, 17 U.S.C. § 101, *et seq.*, of proprietary material registered under U.S. Copyright No. TX 9-407-381 ("Asserted Copyright") in violation of 17 U.S.C. § 501.

2. Anaconda developed a technology that has become critical to the booming artificial intelligence ("AI") industry—one that is used by over 40 million users at over one million companies worldwide. Intel is one of those companies. For years, Intel bought licenses allowing it to integrate Anaconda's copyrighted and proprietary technology into its flagship AI software product, enabling Intel to gain a foothold in the AI market and sell more processors. Intel stopped paying for those licenses, but it did not stop using Anaconda's technology—to this day, Intel's AI software product includes Anaconda's proprietary material. Anaconda is filing this lawsuit to halt and seek compensation for Intel's blatant and willful infringement of Anaconda's rights.

SUMMARY OF THE DISPUTE

3. This is a straightforward case of infringement of Anaconda's valuable intellectual property. Intel intentionally leveraged Anaconda's technological innovations to improve Intel's own products and establish its foothold in the now-booming artificial intelligence ("AI") market. Although Intel has received, and continues to receive, commercial benefits from Anaconda's developments and intellectual property—including increased sales of Intel processors—Intel now refuses to pay for those same innovations.

4. AI developers rely on hundreds of different "packages" of open-source software, typically written in the Python or R programming languages, to build the software platforms on which AI development can occur. Building an AI development platform in this manner is not unlike building a house—there are parts of the platform that are dependent on other component parts, and the component parts of the platform must be compatible with each other. For instance, software packages may be dependent on other packages in the same way the roof of a house is dependent on the walls. Moreover, different versions of open-source packages may not be compatible with each other, particularly as the packages are modified and updated by different developers over time. So, in addition to confirming that all dependent packages are in place, an AI developer must ensure that all packages used in a project are compatible with each other, like the floorboards of a house must be measured and fit together properly within the house frame. Because the number of packages used to build AI platforms are often voluminous, those dependencies can become extraordinarily complicated. Further complicating this exercise, packages are created and maintained by disparate and independent parties who may change the packages at any time and do not always test or otherwise ensure the compatibility of their packages

with other packages commonly used by AI developers. Managing these dependencies and compatibilities in a large project can become overwhelmingly burdensome for a developer.

5. Anaconda solved this problem for the industry by building a software product called "conda," which Anaconda makes freely available to customers under an open-source software license. "conda" is a "package manager" that has the ability to ensure the installation of all dependent software packages, and verify the compatibility of all software packages, when building an AI development platform. But the conda program can only perform these functions if it is given conda-compatible software packages—that is, software packages with code added to them that the conda software can read.

6. Anyone can develop their own conda-compatible packages without paying Anaconda anything, and many companies do. But Anaconda recognized a need in the marketplace for someone to undertake the painstaking effort to create conda-compatible versions of the open-source software packages used by data scientists and AI developers. At extraordinary effort and expense, Anaconda wrote and has maintained *over 8,000* (and counting) such conda-compatible packages. The "Anaconda Distribution," which is at issue here and is protected by the Asserted Copyright, includes hundreds of the most popular conda-compatible packages. Anaconda provides a free license to individuals and small businesses to access the conda-compatible packages Anaconda developed. But Anaconda requires large companies that use its conda-compatible packages—like Intel—to pay a license fee to use Anaconda's proprietary material.

7. Intel previously entered into license agreements with Anaconda and benefitted from Anaconda's AI tools and data science platforms, including the Anaconda Distribution and Anaconda's conda-compatible packages. Under those license agreements, Intel availed itself of Anaconda's technological innovations, gained access to over 45 million users of conda worldwide,

and integrated Anaconda's proprietary material into its own internal software and development platforms. Intel also embedded Anaconda's proprietary material into Intel's own AI development platform that Intel distributes to its customers and markets as its own.

8. Intel's license agreements with Anaconda expired, and Intel failed to renew them. At that point, Intel could have chosen to develop its own conda-compatible software packages, but it did not. Instead, to this day, it continues to use and distribute Anaconda's conda-compatible packages without permission and without payment. Each of Anaconda's overtures to Intel to re-establish a license have unfortunately been met with disregard, necessitating this filing.

9. Anaconda seeks to bring an end to Intel's unlawful use and commercialization of Anaconda's valuable copyrighted material. Anaconda respectfully seeks an injunction, along with the other remedies described below, to stop Intel's improper and willful acts of copyright infringement.

PARTIES

10. Plaintiff Anaconda is a Delaware corporation with a principal place of business at 1108 Lavaca Street, Suite 110-645, Austin, Texas, 78701, United States.

11. Defendant Intel is a Delaware corporation with a principal place of business at 2200 Mission College Boulevard, Santa Clara, California, 95054, United States.

JURISDICTION AND VENUE

12. This action arises under the copyright laws of the United States, Title 17 of the United States Code. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

13. The Court has personal jurisdiction over Intel because it is a Delaware corporation.

14. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1400(a).

FACTUAL BACKGROUND

Conda Packages and the conda Ecosystem

15. Anaconda is a privately held company founded in 2012 to simplify the management and deployment of scientific and analytic software packages so that researchers and businesses can easily leverage those data science packages in business data solutions. Thanks to Anaconda's innovations, including those described in this complaint, the demand for Anaconda's offerings has expanded. Today, Anaconda's footprint includes over 40 million users at more than one million companies worldwide.

16. "Packages" are collections of software modules and functions that software developers can re-use to perform common tasks. In the scientific and engineering field, and particularly in the field of AI and machine learning, researchers commonly use independently developed and maintained software packages to perform operations critical to their research and work. For example, a developer performing a data analysis might want to use any number of common open-source packages—*e.g.*, "pandas," a data analysis and manipulation tool, "NumPy," a tool that manipulates large arrays of numbers, and "SciPy," a tool that provides various mathematical modules used in science and engineering—to read and write data, perform numerical integration and interpolation, and use linear algebra, without having to write the necessary source code from scratch. Developers commonly utilize and combine any number of these separate packages together in a single project.

17. When working on a given project, a developer can utilize a development "environment," which is a directory that contains a specific collection of packages that a developer has installed. By using different environments for different projects, software developers ensure that packages within one environment remain independent of, and are unaffected by, packages

used in another environment, much as using different user profiles on a computer allows users to keep their files and settings separated from those of other users.

18. In 2012, long before the current explosion of machine learning development, Anaconda developed conda, an open-source package-management system and environment-management system designed to help programmers conduct scientific computing. Anaconda observed that data science programmers experienced hurdles in developing new programs and research because the hundreds—if not thousands—of individual software packages used in scientific computing were created and maintained by different organizations and individuals. The packages did not always work well when installed together in the same environment, which could result in errors, program failure, or inaccurate or unpredictable results. Anaconda's conda system transformed the experience of installing packages. Rather than leaving troubleshooting compatibility among and between packages to the individual software developer, conda automatically analyzes all of the software packages installed in a software environment, identifies all dependencies and compatibilities, and warns the developer if the packages cannot be installed together in a compatible way.

19. The conda package- and environment-management software is free and open source. But there is much more to using conda than just installing the conda software itself. In order to use packages in the conda environment, a user must install conda-compatible packages, or versions of software packages that have been prepared for the conda environment. Anyone can build a conda-compatible package, which contains the underlying software distribution for the package, compiled objects for the package, a package-building recipe, and associated files enabling use of the package within the conda environment. Anyone can also create a conda "channel," or a location where conda-compatible packages are stored and can be downloaded by

others. For example, "Bioconda" is a conda channel that contains conda-compatible packages related to biomedical research.[1] Many conda-compatible packages are free to download, but some conda channels restrict who can use the packages hosted on those channels.

The Anaconda Distribution

20. One of Anaconda's most popular offerings, the Anaconda Distribution, provides everything a software developer needs to quickly get started programming by including the most commonly used data science, AI, and machine learning conda-compatible packages and all the software needed to use those packages in a conda environment. The Anaconda Distribution bundles popular conda-compatible packages that enable a user-friendly experience with conda and configures those packages so that they are easy to install and use. The Anaconda Distribution currently includes access to:

- Over 250 default software packages curated for data science, machine learning, and data visualization, and the ability to access and download over 8,000 packages, all pre-configured and ready for deployment on Anaconda's platform;
- conda (Anaconda's cross-platform, language-agnostic command line package and environment manager);
- The latest version of the Python programming language supported by the Anaconda Distribution; and
- Anaconda Navigator (a graphical user interface for launching and managing packages and environments).

21. The over 250 conda-compatible packages in the Anaconda Distribution reflect the heart of the Anaconda Distribution and Anaconda's offerings. The Anaconda repository also offers thousands of additional conda-compatible versions of packages for research and development in AI, machine learning, and other data science. While many packages embody free

[1] https://bioconda.github.io/

and open-source software and could be separately downloaded and compiled by developers, Anaconda's conda package manager software provides a seamless and user-friendly way to use and manage the conda-compatible packages in the Anaconda Distribution and the Anaconda repository. Anaconda securely hosts its conda-compatible packages and maintains, methodically tests, and updates the conda-compatible versions of those packages in the Anaconda Distribution and the Anaconda repository. All packages and libraries in the Anaconda Distribution and the Anaconda repository are pre-configured by Anaconda to ensure that the packages work with each other in a conda environment without errors. Anaconda tracks changes to the conda-compatible packages and libraries it makes available, and Anaconda updates the Anaconda Distribution to ensure that any changes to underlying packages are accounted for and any necessary dependencies or conflicts are updated.

22. Anaconda's conda-compatible packages in the Anaconda Distribution and the Anaconda repository also provide Anaconda's users with the ability to manage their environments and ensure that packages continue to operate as expected and without errors when software is changed and updated. For example, when a new version of a given package is released that is incompatible with a prior version of a different package, conda will warn a user about this incompatibility before updating the package. The pre-configured conda-compatible packages available through the Anaconda Distribution and the Anaconda repository include proprietary instructions developed by Anaconda that reflect information concerning package management, tracking, and security. While a programmer could separately download, compile, install, and test conda and the hundreds (if not thousands) of separately maintained software packages for compatibility, it would be burdensome for an individual programmer to undertake such a task. Since Anaconda's proprietary instructions within the Anaconda Distribution and the Anaconda

repository ensure package compatibilities, users are no longer distracted by package management issues and can instead focus on using the packages for their own projects.

23. Anaconda provides the Anaconda Distribution to the public as a free download, subject to the Anaconda Terms of Service. Packages within the Anaconda package repository are also free to download, subject to the Anaconda Terms of Service. The Anaconda Terms of Service specify that "registration, download, use, installation, access, or enjoyment of all Anaconda Offerings on behalf of an organization that has two hundred (200) or more employees or contractors ('Organizational Use') requires a paid license of Anaconda Business or Anaconda Enterprise."[2] Anaconda's public pricing page also specifies up front that "Use of Anaconda's Offerings at an organization of more than 200 employees requires a Business or Enterprise license."[3] Additionally, the Anaconda Terms of Service specify that, upon termination of a paid Anaconda license, a former licensee must "stop using the Anaconda Offering(s) and destroy any copies of Anaconda Proprietary Technology and Confidential Information within Your control."

The Asserted Copyright and Protected Work

24. The Asserted Copyright, for a work titled "Anaconda Distribution and Associated Packages Release 2024.02-01" was registered with the U.S. Copyright Office with Registration No. TX-9-407-381. A copy of the registration certificate for the Asserted Copyright is attached as Exhibit A.

25. Anaconda is the owner of all rights, title, and interest in and to the Asserted Copyright.

[2] https://legal.anaconda.com/policies/en?name=terms-of-service#terms-of-service

[3] https://www.anaconda.com/pricing

26. The copyrighted work reflected in the Asserted Copyright is Release 2024.02-01 of the Anaconda Distribution and the associated Anaconda conda-compatible packages. As described above, the Anaconda Distribution provides everything software developers need to get started on developing AI, machine learning, and other data science projects as quickly and seamlessly as possible. It provides a comprehensive package- and environment-management system that allows users to install, run, and update packages and their dependencies for Anaconda's users' projects in a variety of science, engineering, and other data-intensive contexts.

27. The specific selection and arrangement of packages, libraries, code, and other files in the Anaconda Distribution represents the exercise of discretion and creativity of Anaconda's employees and engineers.

28. The Anaconda Distribution and associated conda-compatible packages also contain proprietary material that Anaconda's engineers and employees created at significant effort and expense ("Proprietary Components"), including the proprietary computer instructions critical to providing the smooth and easy user experience driving Anaconda's mission and business success. The Proprietary Components reflect Anaconda's own exercise of discretion, judgment, and design choices in describing how the various versions of the thousands of packages can optimally operate together. By providing a design through which the packages can interoperate cooperatively with each other, the proprietary computer instructions developed by Anaconda operate as a blueprint for building AI development platforms within the conda environment.

29. Anaconda's Proprietary Components are extremely valuable and attract Anaconda's customers to its platform. Anaconda owns all rights to its Proprietary Components in all versions of the Anaconda Distribution.

Intel's Infringement of the Anaconda Distribution and Associated Packages

30. Intel previously assented to Anaconda's Terms of Use and paid for a license to use the Anaconda Distribution and Anaconda's conda-compatible packages within the Anaconda repository, including the Proprietary Components. Intel subsequently allowed that license to lapse but continues to use, copy, and distribute Anaconda's valuable intellectual property without permission. Although Anaconda repeatedly urged Intel to renew its license, Intel refused to pay for its continued use of the Anaconda Distribution and the Anaconda repository. Intel is infringing Anaconda's Asserted Copyright by using the Anaconda Distribution and the associated conda-compatible packages, including the Proprietary Components, both internally and externally.

31. First, on information and belief, Intel, without Anaconda's authorization, reproduces and creates derivative works based on Anaconda's Proprietary Components and other protectable elements of the Anaconda Distribution by using the Anaconda Distribution and associated conda-compatible packages for internal purposes. On information and belief, Intel allowed its employees to continue using the Anaconda Distribution and Anaconda's conda-compatible packages, including the Proprietary Components, following expiration of Intel's Anaconda license. On information and belief, Intel further allowed internal Intel software tools to continue to access the Anaconda Distribution and Anaconda's conda-compatible packages, including the Proprietary Components, following expiration of Intel's Anaconda license.

32. Second, on information and belief, Intel, without Anaconda's authorization, reproduces, creates derivative works based on, and distributes Anaconda's Proprietary Components and other protectable elements of the Anaconda Distribution and Anaconda's conda-compatible packages by distributing Intel's "AI Analytics Toolkit," or "AI Kit." Intel advertises its AI Kit as providing "End-to-End Python Data Science and AI Acceleration" with "[p]roducts [that] are grouped to meet common AI workloads like machine learning, deep learning, and

inference optimization," and that users "can customize them to choose only the tools you need from conda . . . repositories."[4]

33. The benefits provided by Intel's use and integration of the Anaconda Distribution and Anaconda's conda-compatible packages are touted by Intel itself. Intel advertises that the AI Kit "enable[s] AI developers to streamline the process of introducing AI into their applications, enhancing existing intelligent solutions and accelerating deployment," resulting in "proven performance improvements with a shorter, more productive workflow versus a traditional model development workflow."[5] Intel's AI Kit has enabled it to achieve "significant milestone[s]" such as "surpassing 500 pre-trained AI models running optimized on Intel Core Ultra processors,"[6] creating more demand for its processors and pushing its stock price up.

34. Until recently, Intel hosted a public Anaconda repository containing Anaconda's conda-compatible packages, including Proprietary Components and other elements protected by the Asserted Copyright. Intel directed its AI Kit users to download those components to install the AI Kit:[7]

> 2. Install the AI Kit oneAPI packages in a new environment using `conda create`. A list of available packages is located at https://anaconda.org/intel/repo. Not all packages in the Anaconda repository are up to date with the current release. If the repo contains an outdated version of a required component, get a newer one by installing via the command line or GUI.

[4] https://www.intel.com/content/www/us/en/developer/topic-technology/artificial-intelligence/development-software.html

[5] https://www.businesswire.com/news/home/20230724121115/en/

[6] https://www.businesswire.com/news/home/20240501925881/en/

[7] https://www.intel.com/content/www/us/en/docs/oneapi/installation-guide-linux/2023-0/install-intel-ai-analytics-toolkit-via-conda.html

35. On information and belief, Intel's AI Kit includes copies of elements of the Anaconda Distribution and Anaconda's conda-compatible packages protected by the Asserted Copyright. Many packages that were hosted on the Intel Anaconda repository containing the AI Kit were copied directly from Anaconda and contained identical digital signatures to the copyrighted conda-compatible packages in the Anaconda Distribution and the Anaconda repository.

36. On information and belief, after Anaconda informed Intel of its infringing acts, rather than ceasing use of the Anaconda Distribution and Anaconda's conda-compatible packages or engaging with Anaconda to continue to license their use, Intel simply copied the infringing content from the Anaconda-hosted repository referenced in Intel's AI Kit instructions to an Intel-hosted repository.

37. While the Anaconda Distribution and Anaconda's conda-compatible packages include some open-source features and components, Intel's reproduction of, creation of derivative works based on, and distribution of the Anaconda Distribution and Anaconda's conda-compatible packages are not limited to those open-source components. Intel copied entire conda-compatible packages, precisely as released by Anaconda and including all components protected by the Asserted Copyright, and improperly distributed them as its own.

COUNT I
Direct Copyright Infringement

38. Anaconda realleges and incorporates by reference the allegations set forth in the preceding paragraphs of this complaint.

39. Anaconda owns the Asserted Copyright, which is valid and enforceable and protects the Anaconda Distribution, Anaconda's associated conda-compatible packages, and all copyrightable elements of the Anaconda Distribution and the associated conda-compatible

packages, including the Proprietary Components. The Asserted Copyright was properly registered with the U.S. Copyright Office prior to instituting this action for copyright infringement.

40. Intel lacks authorization, license, or permission from Anaconda to reproduce, prepare derivative works based on, distribute to the public, or export the Anaconda Distribution, Anaconda's associated conda-compatible packages, the Proprietary Components, or any other elements protected by the Asserted Copyright.

41. Through the acts alleged above, Intel has violated, and is continuing to violate, Anaconda's exclusive rights to reproduce, prepare derivative works based on, distribute to the public, and export the Anaconda Distribution and Anaconda's associated conda-compatible packages, in violation of 17 U.S.C. §§ 106, 501, and 602.

42. On information and belief, Intel was and remains aware that the Anaconda Distribution, Anaconda's associated conda-compatible packages, and elements of those works, including the Proprietary Components, are protected by copyright, or acted or is acting in reckless disregard of the possibility that it was infringing and continues to infringe the copyrightable elements protected by the Asserted Copyright. On information and belief, Intel purposefully and without authorization downloads, uses, and incorporates into its own platforms protectable elements of the Anaconda Distribution and Anaconda's associated conda-compatible packages, including the Proprietary Components. Intel was aware, and remains aware, that it improperly downloads, uses, and incorporates those protectable elements of the Anaconda Distribution and Anaconda's associated conda-compatible packages. At a minimum, Intel was put on notice of its acts of copyright infringement as of June 6, 2024, when Anaconda sent Intel a letter identifying evidence of Intel's improper acts. Thus, Intel's violations of Anaconda's exclusive rights were, and continue to be, knowing, intentional, and willful.

COUNT II
Secondary Liability for Copyright Infringement

43. Anaconda realleges and incorporates by reference the allegations set forth in the preceding paragraphs of this complaint.

44. Anaconda owns the Asserted Copyright, which is valid and enforceable and protects the Anaconda Distribution, Anaconda's associated conda-compatible packages, and all copyrightable elements of the Anaconda Distribution and the associated conda-compatible packages, including the Proprietary Components. The Asserted Copyright was properly registered with the U.S. Copyright Office prior to instituting this action for copyright infringement.

45. On information and belief, at least some users of the AI Kit and any infringing platforms purchased or provided from or by Intel lack authorization, license, or permission from Anaconda to reproduce the Anaconda Distribution, Anaconda's associated conda-compatible packages, or any copyrightable elements in the same.

46. Through the acts alleged above, at least some users of Intel's platforms are engaged in acts of direct copyright infringement, including by reproducing the copyrightable elements within the Anaconda Distribution and Anaconda's associated conda-compatible packages, including the Proprietary Components, as contained within Intel's AI Kit. On information and belief, when developing, marketing, and distributing Intel's AI Kit, Intel was and remains aware, or willfully blind, that its customers' use of Intel's AI Kit would result in the infringement of the Anaconda Distribution, Anaconda's associated conda-compatible packages, and the copyrightable elements protected by the Asserted Copyright. Through at least the acts alleged above, Intel knowingly induced, caused, and materially contributed to, and continues to induce, cause, and materially contribute to, those acts of direct infringement by its Intel customers. Intel is therefore liable for contributory copyright infringement.

47. On information and belief, Intel has a direct financial interest in its customers' infringing activities. Intel profits from its customers' ongoing use of the infringing aspects of Intel's AI Kit, including by making AI development for Intel chips easier and more streamlined, thereby creating more demand for Intel's processors and increasing its stock price. On information and belief, Intel also has the right and ability to supervise or control its customers' use of Intel's AI Kit (and therefore its customers' infringing activities). Intel could prevent its customers' acts of infringement by, among other things, removing the infringing components from the AI Kit and/or replacing them with conda-compatible packages created by Intel. Intel is therefore liable for vicarious copyright infringement.

PRAYER FOR RELIEF

WHEREFORE, Anaconda prays for the following relief:

A. Judgment of copyright infringement and/or willful copyright infringement of the Asserted Copyright;

B. A permanent injunction ordering Intel, and its officers, directors, members, agents, servants, employees, and attorneys, and all other persons acting in concert or participating with it, who receive actual notice of the injunction order by personal or other service to cease all acts of direct and secondary copyright infringement relating to the use of the Anaconda Distribution and Anaconda's conda-compatible packages;

C. A permanent injunction that includes all terms necessary to prevent and restrain infringement of the Anaconda Distribution and Anaconda's conda-compatible packages;

D. An award of damages adequate to compensate Anaconda for the infringement that has occurred pursuant to 17 U.S.C. § 504(b), or in the alternative, statutory damages pursuant to 17 U.S.C. § 504(c);

E. Any additional damages, including punitive or exemplary damages, as the Court determines is appropriate and/or to deter willful infringement;

F. An accounting and/or supplemental damages to account for harm occurring after any discovery cut-off;

G. An order impounding or destroying all infringing articles pursuant to 17 U.S.C. § 503, including, as necessary, while this action is pending;

H. An order awarding Anaconda prejudgment and post-judgment attorneys' fees, interest, statutory costs and expenses; and

I. An order awarding Anaconda any other relief, in law and in equity, that this Court deems just and proper.

JURY DEMAND

Under Rule 38 of the Federal Rules of Civil Procedure, Anaconda demands trial by jury on all issues so triable.

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