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Attorney for Plaintiff, EdiZONE, LLC

# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

EDIZONE, LLC, a Delaware limited liability company,

Plaintiff,

BLUE CHIP MEDICAL PRODUCTS, INC., a New York corporation, I-TEK, INC., a Massachusetts corporation, AMERICAN NATIONAL MANUFACTURING, INC., a California corporation, and DOES 1 – 50,

vs.

Defendants.

FIRST AMENDED COMPLAINT AND JURY DEMAND

Case No.: 2:12-cv-01219-DB

Judge Dee Benson

EdiZONE, LLC, Plaintiff, hereby alleges and claims against Defendants, Blue Chip Medical Products, Inc., I-Tek, Inc., American National Manufacturing, Inc. and Does 1 – 50, as follows:

#### PARTIES, JURISDICTION & VENUE

- 1. Plaintiff, EdiZONE, LLC (hereafter "<u>EdiZONE</u>"), is a Delaware limited liability company with its principle place of business in Alpine, Utah. EdiZONE is the current owner of the patents referenced below.
- 2. On information and belief, EdiZONE believes the following as to each of the Defendants:
- a. Defendant Blue Chip Medical Products, Inc. (hereafter "Blue Chip") is a New York corporation with its principle place of business in Suffrin, New York. Blue Chip sells and distributes various products, including therapeutic mattresses, overlays, seating and positioning cushions and patient safety products. Some of its products are manufactured by American National Manufacturing, Inc. and include a cushioning composition made by I-Tek, Inc. Those products are sold throughout the United States of America, including in the State of Utah.
- b. Defendant I-Tek, Inc. (hereafter "I-Tek") is a Massachusetts corporation with its principle place of business in Lawrence, Massachusetts. I-Tek makes and sells a cushioning composition, including to American National Manufacturing, Inc. Also, I-Tek, directly or indirectly through Skwoosh, sells its own products with its cushioning composition throughout the United States of America and in the State of Utah.
- c. Defendant American National Manufacturing, Inc. (hereafter "American") is a California corporation with its principle place of business in Corona, California. American

manufactures products for Blue Chip and possibly others with the use of a cushioning composition supplied to it by I-Tek.

- d. Defendants Does 1-50 are entities or individuals, including but not limited to organizations, manufacturers, distributors, dealers and retailers, who are selling accused products, as described below, within the United States of America, or who are otherwise liable to EdiZONE for patent infringement as alleged herein, and leave will be sought hereafter to bring them into this action as deemed necessary or appropriate and/or their identities become known.
- 3. On information and belief, Defendants conduct business in the State of Utah and/or otherwise have substantial contacts with Utah and avail themselves of the benefits and protections of Utah law by shipping, distributing and/or selling products in the stream of commerce with the intent that they are sold to consumers within the State of Utah. Each Defendant has committed patent infringement within the State of Utah in violation of the laws of the United States of America.
  - 4. This Court has personal jurisdiction over the Defendants.
- 5. Subject matter jurisdiction and venue are founded upon 28 U.S.C. §§ 1331, 1332(a), 1338(a), 1391 and 1400(b).

#### GENERAL ALLEGATIONS

6. Defendants are making and/or selling within the United States of America a cushioning composition that is being used as a component in therapeutic wheelchair cushions, which cushioning composition component is identified by Blue Chip as a Soft-Flo® Gel insert. This gel insert is described as allowing "for immersion of the ischials, sacral, coccyx areas

without the additional force that can be caused by certain liquid gel modalities." The Soft-Flo® Gel insert is a bladder that contains a composition of microspheres and a lubricating substance such that the composition does not flow under gravity like a liquid but instead easily deforms under pressure and then stays in the position it is in when the pressure is removed until other pressure is applied to deform it in a different way, thereby conforming to the pressure exerted by the user of the seating product. An example of this composition taken from a Blue Chip Amara 450 seat cushion product is shown in the photograph attached hereto, and incorporated herein, as Exhibit A. All Blue Chip cushioning products that have this Soft-Flo® Gel insert, as well as the cushioning composition itself in the Soft-Flo® Gel insert, are referred to hereafter as the "Products."

- 7. On information and belief, I-Tek manufactures and supplies to American the cushioning composition Products for American's use in the Soft-Flo® Gel inserts incorporated into the Blue Chip cushioning Products. American may have used or be using the cushioning composition Products in other products for other entites. Likewise, I-Tek may be supplying its cushioning composition Products to others in addition to American. All such uses are within the scope of this Amended Complaint.
- 8. Defendants have or will receive actual notice of the patents-in-suit through notices that have been sent to Blue Chip and I-Tek, and/or, upon information and belief, they have constructive notice through patent markings on other products.
- 9. EdiZONE will be pursuing this action if after receiving notice of this action Blue Chip, American and/or I-Tek refuse to cease and desist their unlawful conduct related to the Products and/or refuse to pay to EdiZONE fair compensation for all past use of the patents-in-

suit for the six year period preceding this action and continuing use during the life of the patentsin-suit following the initiation of this action.

10. EdiZONE is filing this action in order to preserve its rights to seek protection of its patents and to receive appropriate compensation from the Defendants, including any additional recovery allowed for intentional infringement.

#### FIRST CLAIM FOR RELIEF

- 11. EdiZONE incorporates herein its allegations set forth above in this Amended Complaint.
- 12. On March 6, 2001, U.S. Patent No. 6,197,099 (the "<u>099 Patent</u>") issued and thereafter through various assignments is now legally assigned to and owned by EdiZONE.
- 13. The Products embody at least claim 1 of the 099 Patent. EdiZONE reserves the right to assert infringement of other claims after learning of Defendants' contentions.
- 14. Defendants do not have a licensed right to make, have made, import, use or sell the Products in the United States of America.
- 15. Accordingly, Defendants are liable for direct infringement, either literally or under the doctrine of equivalents.
- 16. Further, Defendants are subject to being enjoined from any future infringement of the 099 Patent in violation of EdiZONE's statutory rights.
- 17. EdiZONE reserves the right to amend this Amended Complaint to allege that Defendants have acted and are acting willfully and with deliberate disregard of EdiZONE's rights in the 099 Patent, should there be a basis for such an allegation upon further investigation and discovery.

18. EdiZONE is entitled to recover from Defendants, jointly and severally, monetary damages in an amount not less than a reasonable royalty for all units of Products sold. EdiZONE also is entitled to appropriate injunctive relief until the expiry of the 099 Patent.

### SECOND CLAIM FOR RELIEF

- 19. EdiZONE incorporates herein its allegations set forth above in this Amended Complaint.
- 20. On February 1, 2000, U.S. Patent No. 6,020,055 (the "<u>055 Patent</u>") issued and thereafter through various assignments is now legally assigned to and owned by EdiZONE.
- 21. The Products embody at least claim 1 of the 055 Patent. EdiZONE reserves the right to assert infringement of other claims after learning of Defendants' contentions.
- 22. Defendants do not have a licensed right to make, have made, import, use or sell the Products in the United States of America.
- 23. Accordingly, Defendants are liable for direct infringement, either literally or under the doctrine of equivalents.
- 24. Further, Defendants are subject to being enjoined from any future infringement of the 099 Patent in violation of EdiZONE's statutory rights.
- 25. EdiZONE reserves the right to amend this Amended Complaint to allege that Defendants have acted and are acting willfully and with deliberate disregard of EdiZONE's rights in the 055 Patent, should there be a basis for such an allegation upon further investigation and discovery.

26. EdiZONE is entitled to recover from Defendants, jointly and severally, monetary

damages in an amount not less than a reasonable royalty for all units of Products sold. EdiZONE

also is entitled to appropriate injunctive relief until the expiry of the 055 Patent.

<u>PRAYER</u>

WHEREFORE, EdiZONE prays for the following relief:

1. A permanent injunction enjoining Defendants, their officers, agents, employees

and attorneys, and all other persons in acts of concert or participation with any Defendant from

further infringement of the 099 Patent and/or 055 Patent, and any other equitable relief to prevent

infringement of EdiZONE's rights and/or continuing harm to EdiZONE;

2. An award of a monetary judgment to compensate EdiZONE for its damages, past

and future, including at a minimum a reasonable royalty and prejudgment and post judgment

interest thereon;

3. An award of EdiZONE's costs allowed by law; and

4. All such other relief as the Court deems necessary and appropriate in law or

equity.

JURY DEMAND

EdiZONE demands a trial by jury on all issues presented herein.

DATED this 26th day of April, 2013.

/s/ Casey K. McGarvey

Casey K. McGarvey

Attorney for EdiZONE, LLC

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## EXHIBIT A

