

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Sorna Corporation

Plaintiff,

Civil Case No. _____

v.

Carestream Health, Inc.

Defendant.

COMPLAINT

Comes now the Plaintiff Sorna Corporation, (hereinafter “Sorna”) as and for its Complaint against Defendant Carestream Health, Inc. (hereinafter “Carestream” or “Defendant”) states and alleges as follows.

THE PARTIES

1. Plaintiff Sorna is a Minnesota Corporation with its principal place of business in Eagan, Minnesota. Sorna manufactures sells, and licenses medical technology and devices including medical data recording devices that implant medical data onto portable media.

2. Upon information and belief Defendant Carestream is a Delaware corporation with its principal place of business at 150 Verona Street Rochester, New York 14608

JURISDICTION AND VENUE

3. The claims alleged herein arise under the patent laws of the United States, 35 U.S.C. §§ 100, *et seq.*

4. This Court has jurisdiction over the subject matter of this case pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Carestream under Minn. Stat. § 543.19. Carestream has continuous and systematic contacts in Minnesota including a facility and office in this state. On information and belief Carestream has offered to sell and sold products in Minnesota that infringe the patents-in-suit. On information and belief, such infringing products are also being used in Minnesota.

6. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and (c), and 1400(b).

FACTUAL BACKGROUND

7. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-6.

8. Sorna is the owner of the entire right, title and interest in and to United States Patent No. 7,965,408 (hereinafter the “’408 patent”), entitled Medical Data Recording System, duly and legally issued on June 21st, 2011. A copy of the ‘408 patent is attached to the complaint as Exhibit A.

9. Sorna is the owner of the entire right, title and interest in and to United States Patent No. 8,045,214 (hereinafter the “’214 patent”), entitled Medical Data Recording Apparatus, duly and legally issued on October 25th, 2011. A copy of the ‘214 patent is attached to the complaint as Exhibit B.

10. Sorna is the owner of the entire right, title and interest in and to United States Patent No. 8,059,304 (hereinafter the “’304 patent”), entitled Medical Data Recording System, duly and legally issued on November 15th, 2011. A copy of the ‘304 patent is attached to the complaint as Exhibit C.

11. Sorna is the owner of the entire right, title and interest in and to United States Patent No. 8,687,226 (hereinafter the ‘226 patent”) entitled Medical Data Recording System, duly and legally issued on April 1, 2014. A copy of the ‘226 patent is attached to the complaint as Exhibit D.

12. The ‘408, ‘214, ‘304, and ‘226 patents are collectively known as the “patents in suit”.

13. Carestream manufactures, sells, and offers to sell medical data recording products including Carestream’s CD Direct Suite (hereinafter the “infringing products”).

14. According to the CD Direct User’s Guide v.10.2 The CD Direct Suite “Lets you create discs (CDs or DVDs) containing medical image data....you can also burn (copy) radiology reports to the CD. The CD contains the original, uncompressed DICOM images data along with a viewer”.

15. Carestream has admitted Sorna that the infringing products allow a “user to select studies to be burned onto a cd.”

16. The infringing products are configured to retrieve images from any DICOM modality and import image from a third-party PACS.

17. The infringing products are configured to print labels on the burned media and configure data to appear on the labels.

18. Upon information and belief Carestream offers products which store medical data information on “the cloud”.

19. Upon information and belief Carestream’s former parent company Kodak Health Group had knowledge Sorna’s products which practice the patents in suit at least as early as 2003.

20. Upon information and belief the infringing products are designed to directly compete with Sorna's medical data recording devices.

21. The infringing products literally infringe the '408, '214, '304 and '226 patents.

CARESTREAM'S INFRINGEMENT OF THE PATENTS IN SUIT

22. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-21.

23. Carestream and Sorna have discussed licensing the Sorna patents in suit at least as early as January 2014.

24. Carestream was put on written notice of Sorna's patent rights in January 2014.

25. Carestream made representations to Sorna that because it does not manufacture a CD drive or burner it cannot infringe Sorna's patents.

26. Upon information and belief the infringing products have been sold by Carestream with a CD burner.

27. Upon information and belief Carestream has intentionally and recklessly chosen to sell the infringing products with knowledge that they infringe the patents in suit.

28. Upon information and belief Carestream's pattern of reckless disregard of Sorna's patent rights began as early as the issue date of Sorna's '408 patent.

29. Upon information and belief Carestream offers to sell and sells the infringing products directly to end users and to resellers.

30. Carestream has knowledge that the use of the infringing products by end users and resale by resellers constitutes direct infringement of the patents in suit. Carestream has knowledge that there are not any substantially non infringing uses of the infringing products.

31. Upon information and belief Carestream provides ongoing maintenance and support services to resellers and end users for the infringing products.

32. Carestream provides maintenance and support services to resellers and end users with knowledge that this promotes and encourages infringement of the patents in suit.

33. Carestream's ongoing support of the infringing products induces and supports the infringing use by Carestream's customers of the patents in suit.

FIRST CLAIM FOR INFRINGEMENT OF THE '408 PATENT

34. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-33.

35. The infringing products practice one or more of the claims of the '408 patent.

36. Carestream has infringed the '408 patent by making, using, offering to sell and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

37. Sorna has complied with the statutory requirement of placing a notice of the '408 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

38. Carestream's acts of infringement have caused damage to Sorna in an amount to be determined at trial.

39. Carestream's infringement of the '408 patent is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream's infringement will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

SECOND CLAIM FOR INFRINGEMENT OF THE '214 PATENT

40. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-39.

41. The infringing products practice one or more of the claims of the ‘214 patent.

42. Carestream has infringed the ‘214 patent by making, using, offering to sell and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

43. Sorna has complied with the statutory requirement of placing a notice of the ‘214 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

44. Carestream’s acts of infringement have caused damage to Sorna in an amount to be determined at trial.

45. Carestream’s infringement of the ‘214 patent is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream’s infringement will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

THIRD CLAIM FOR INFRINGEMENT OF THE ‘304 PATENT

46. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-45.

47. The infringing products practice one or more of the claims of the ‘304 patent.

48. Carestream has infringed the ‘304 patent by making, using, offering to sell and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

49. Sorna has complied with the statutory requirement of placing a notice of the '304 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

50. Carestream's acts of infringement have caused damage to Sorna in an amount to be determined at trial.

51. Carestream's infringement of the '304 patent is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream's infringement will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

FOURTH CLAIM FOR INFRINGEMENT OF THE '226 PATENT

52. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-51.

53. The infringing products practice one or more of the claims of the '226 patent.

54. Carestream has infringed the '226 patent by making, using, offering to sell and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

55. Sorna has complied with the statutory requirement of placing a notice of the '226 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

56. Carestream's acts of infringement have caused damage to Sorna in an amount to be determined at trial.

57. Carestream's infringement of the '226 patent is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream's infringement will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

FIFTH CLAIM FOR WILLFUL INFRINGEMENT OF THE '408 PATENT

58. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-57.

59. Carestream's past and continuing infringement of the '408 patent has been deliberate and willful given Carestream's knowledge of Sorna's patents. The conduct warrants an award of treble damages, pursuant to 35 U.S.C. § 284, and this an exceptional case justifying an award of attorney fees to Sorna, pursuant to 35 U.S.C. § 285.

60. On information and belief, Carestream's infringement of the '408 patent was and is willful and deliberate, entitling Sorna to enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs under 35 U.S.C. § 285.

SIXTH CLAIM FOR WILLFUL INFRINGEMENT OF THE '214 PATENT

61. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-60.

62. Carestream's past and continuing infringement of the '214 patent has been deliberate and willful and deliberate given Carestream's knowledge of Sorna's patents. The conduct warrants an award of treble damages, pursuant to 35 U.S.C. § 284, and this an exceptional case justifying an award of attorney fees to Sorna, pursuant to 35 U.S.C. § 285.

63. On information and belief, Carestream's infringement of the '214 patent was and is willful and deliberate, entitling Sorna to enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs under 35 U.S.C. § 285.

SEVENTH CLAIM FOR WILLFUL INFRINGEMENT OF THE '304 PATENT

64. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-63.

65. Carestream's past and continuing infringement of the '304 patent has been deliberate and willful and deliberate given Carestream's knowledge of Sorna's patents. The conduct warrants an award of treble damages, pursuant to 35 U.S.C. § 284, and this an exceptional case justifying an award of attorney fees to Sorna, pursuant to 35 U.S.C. § 285.

66. On information and belief, Carestream's infringement of the '304 patent was and is willful and deliberate, entitling Sorna to enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs under 35 U.S.C. § 285.

EIGHTH CLAIM FOR WILLFUL INFRINGEMENT OF THE '226 PATENT

67. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-66.

68. Carestream's past and continuing infringement of the '226 patent has been deliberate and willful and deliberate given Carestream's knowledge of Sorna's patents. The conduct warrants an award of treble damages, pursuant to 35 U.S.C. § 284, and this an exceptional case justifying an award of attorney fees to Sorna, pursuant to 35 U.S.C. § 285.

69. On information and belief, Carestream's infringement of the '226 patent was and is willful and deliberate, entitling Sorna to enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs under 35 U.S.C. § 285.

NINTH CLAIM FOR CONTRIBUTORY INFRINGEMENT OF THE '408 PATENT

70. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-69.

71. Defendants have knowledge of Sorna's '408 patent.

72. Defendants are selling, and offering to sell the infringing products in the United States to end users and resellers.

73. Defendants have had, and continue to have knowledge that the use and resale of the infringing products, infringe the '408 patent. The infringing products do not have any other substantially non-infringing uses.

TENTH CLAIM FOR CONTRIBUTORY INFRINGEMENT OF THE '214 PATENT

74. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-73.

75. Defendants have knowledge of Sorna's '214 patent.

76. Defendants are selling, and intend to continue offering to sell the infringing products in the United States to end users and resellers.

77. Defendants have had, and continue to have knowledge that the use and resale of infringing products, infringe the '214 patent. The infringing products do not have any other substantially non-infringing uses.

**ELEVENTH CLAIM FOR CONTRIBUTORY INFRINGEMENT OF THE '304
PATENT**

78. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-77.

79. Defendants have knowledge of Sorna's '304 patent.

80. Defendants are selling, and intend to continue offering to sell the infringing products in the United States to end users and resellers.

81. Defendants have had, and continue to have knowledge that the use and resale of infringing products, infringe the '304 patent. The infringing products do not have any other substantially non-infringing uses.

**TWELFTH CLAIM FOR CONTRIBUTORY INFRINGEMENT OF THE '226
PATENT**

82. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-81.

83. Defendants have knowledge of Sorna's '226 patent.

84. Defendants are selling, and intend to continue offering to sell the infringing products in the United States to end users and resellers.

85. Defendants have had, and continue to have knowledge that the use and resale of infringing products, infringe the '226 patent. The infringing products do not have any other substantially non-infringing uses.

THIRTEENTH CLAIM FOR INDUCEMENT TO INFRINGE THE '408 PATENT

86. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-85.

87. Defendants have knowledge of Sorna's '408 patent.

88. Defendant's ongoing support of the infringing products induces the infringement on the part of Carestream's customers of the '408 patent in violation of 35 U.S.C. § 271.

89. Defendants have knowledge that their customer's use of the products is infringing the '408 patent and actively support that infringement by their ongoing support of the infringing products.

FOURTEENTH CLAIM FOR INDUCEMENT TO INFRINGE THE '214 PATENT

90. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-89.

91. Defendants have knowledge of Sorna's '214 patent.

92. Defendant's ongoing support of the infringing products induces the infringement on the part of Defendant's customers of the '214 patent in violation of 35 U.S.C. § 271.

93. Defendants have knowledge that their customer's use of the products is infringing the '214 patent and actively support that infringement by their ongoing support of the infringing products.

FIFTEENTH CLAIM FOR INDUCEMENT TO INFRINGE THE '304 PATENT

94. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-93.

95. Defendants have knowledge of Sorna's '304 patent.

96. Defendant's ongoing support of the infringing products induces the infringement on the part of Defendant's customers of the '304 patent in violation of 35 U.S.C. § 271.

97. Defendants have knowledge that their customer's use of the products is infringing the '304 patent and actively support that infringement by their ongoing support of the infringing products.

SIXTEENTH CLAIM FOR INDUCEMENT TO INFRINGE THE '226 PATENT

98. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-97.

99. Defendants have knowledge of Sorna's '226 patent.

100. Defendant's ongoing support of the infringing products induces the infringement on the part of Defendant's customers of the '226 patent in violation of 35 U.S.C. § 271.

101. Defendants have knowledge that their customer's use of the products is infringing the '226 patent and actively support that infringement by their ongoing support of the infringing products.

SEVENTEENTH CLAIM FOR INFRINGEMENT OF THE '408 PATENT

102. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-101.

103. In the alternative or additionally, the infringing products infringe one or more claims of the '408 patent under the doctrine of equivalents by making, using, offering to sell, and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

104. Carestream infringes the '408 patent under the doctrine of equivalents at least because either any difference between the invention claimed in the '408 patent and the infringing products is insubstantial, or the infringing products perform substantially the same function in substantially the same way with substantially the same result as the invention claimed in the '408 patent.

105. Sorna has complied with the statutory requirement of placing a notice of the '408 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

106. Carestream's acts of infringement under the doctrine of equivalents have caused damage to Sorna in an amount to be determined at trial.

107. Carestream's infringement of the '408 patent under the doctrine of equivalents is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream's

infringement under the doctrine of equivalents will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

EIGHTEENTH CLAIM FOR INFRINGEMENT OF THE ‘214 PATENT

108. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-107.

109. In the alternative or additionally, the infringing products infringe one or more claims of the ‘214 patent under the doctrine of equivalents by making, using, offering to sell, and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

110. Carestream infringes the ‘214 patent under the doctrine of equivalents at least because either any difference between the invention claimed in the ‘214 patent and the infringing products is insubstantial, or the infringing products perform substantially the same function in substantially the same way with substantially the same result as the invention claimed in the ‘214 patent.

111. Sorna has complied with the statutory requirement of placing a notice of the ‘214 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

112. Carestream’s acts of infringement under the doctrine of equivalents have caused damage to Sorna in an amount to be determined at trial.

113. Carestream’s infringement of the ‘214 patent under the doctrine of equivalents is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream’s infringement under the doctrine of equivalents will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

NINETEENTH CLAIM FOR INFRINGEMENT OF THE '304 PATENT

114. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-113.

115. In the alternative or additionally, the infringing products infringe one or more claims of the '304 patent under the doctrine of equivalents by making, using, offering to sell, and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

116. Carestream infringes the '304 patent under the doctrine of equivalents at least because either any difference between the invention claimed in the '304 patent and the infringing products is insubstantial, or the infringing products perform substantially the same function in substantially the same way with substantially the same result as the invention claimed in the '304 patent.

117. Sorna has complied with the statutory requirement of placing a notice of the '304 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

118. Carestream's acts of infringement under the doctrine of equivalents have caused damage to Sorna in an amount to be determined at trial.

119. Carestream's infringement of the '304 patent under the doctrine of equivalents is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream's infringement under the doctrine of equivalents will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

TWENTIETH CLAIM FOR INFRINGEMENT OF THE '226 PATENT

120. Sorna realleges and incorporates as if set fully forth herein the allegations set forth in ¶¶ 1-119.

121. In the alternative or additionally, the infringing products infringe one or more claims of the '226 patent under the doctrine of equivalents by making, using, offering to sell, and/or selling the infringing products in this district and elsewhere in the United States, in violation of 35 U.S.C. § 271.

122. Carestream infringes the '226 patent under the doctrine of equivalents at least because either any difference between the invention claimed in the '226 patent and the infringing products is insubstantial, or the infringing products perform substantially the same function in substantially the same way with substantially the same result as the invention claimed in the '226 patent.

123. Sorna has complied with the statutory requirement of placing a notice of the '226 patent on all medical data recording devices and software, and has given the Defendant notice of the infringement.

124. Carestream's acts of infringement under the doctrine of equivalents have caused damage to Sorna in an amount to be determined at trial.

125. Carestream's infringement of the '226 patent under the doctrine of equivalents is causing irreparable harm to Sorna for which there is no adequate remedy at law. Carestream's infringement under the doctrine of equivalents will continue, and will continue to cause irreparable harm to Sorna, unless enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Sorna prays that the Court enter judgment in its favor and against Carestream, as follows:

A. To enter judgment that Defendant Carestream has infringed directly or under the doctrine of equivalents, actively induced others to infringe, and/or contributed to the infringement of the '408 patent pursuant to 35 U.S.C. § 271;

B. To enter judgment that Defendant Carestream has infringed directly or under the doctrine of equivalents, actively induced others to infringe, and/or contributed to the infringement of the '214 patent pursuant to 35 U.S.C. § 271;

C. To enter judgment that Defendant Carestream has infringed directly or under the doctrine of equivalents, actively induced others to infringe, and/or contributed to the infringement of the '304 patent pursuant to 35 U.S.C. § 271;

D. To enter judgment that Defendant Carestream has infringed directly or under the doctrine of equivalents, actively induced others to infringe, and/or contributed to the infringement of the '226 patent pursuant to 35 U.S.C. § 271;

E. To enter orders preliminarily and permanently enjoining Carestream, and its respective officers, agents, servants, and employees, and attorneys, and all persons in active concert or participation with any of the foregoing, and all parties contemplated by Rule 65(d) Fed.R.Civ.P. be preliminarily and permanently enjoined from further infringement of the '408, '214, '304, and '226 patents pursuant to 35 U.S.C. § 283;

F. To award Plaintiff its respective damages in an amount sufficient to compensate it for Carestream's infringement of the '408, '214, '304, and '226 patents, but in no event less than a reasonable royalty, together with pre-judgment and post-judgment interest and costs, pursuant to 35 U.S.C. § 284;

G. To find that Defendant's infringement is willful, deliberate, and intentional, and that such damages should be increased up to three times the amount assessed;

H. To award Plaintiff damages prior to the issuance of the patents in suit pursuant to 35 U.S.C. § 154(d);

I. To find that this case be deemed exceptional and Plaintiff be awarded attorney fees, expenses and costs incurred in this action pursuant to 35 U.S.C. 285; and

J. To award Plaintiff such other and further relief as the Court deems just and equitable under the circumstances.

DEMAND FOR A JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff respectfully requests a trial by jury of any and all issues on which a trial by jury is available under applicable law.

Dated: July 8, 2015

By: /s/ Alexander J. Farrell

F.S. FARRELL, LLC

Frank S. Farrell (MN #28447)

Alexander J. Farrell (MN #390202)

7401 Metro Blvd, suite 425

Edina, MN 55439

Telephone: (952) 921-3260

frank@fsfarrell.com

alexander@fsfarrell.com

ATTORNEYS FOR PLAINTIFF SORNA