UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF NORTH CAROLINA

THE ANSAR GROUP, INC. AND ANSAR MEDICAL TECNOLOGIES, INC.,

CIVIL ACTION NO. 1:12-CV-134

Plaintiffs,

:

v.

MEDTECHS, LLC AND MEGHAN ATH,

Defendants.

COMPLAINT

Plaintiffs, The Ansar Group, Inc. and Ansar Medical Tecnologies, Inc. (collectively, "Ansar"), by and through their undersigned counsel, hereby file the following Complaint against Defendants, Medtechs, LLC and Mr. Meghan Ath (collectively, and/or, individually, "Defendant(s)"), and allege as follows:

NATURE OF CLAIMS

1. This is an action for patent infringement of Ansar's U.S. Patent No. 7,079,888 ("the '888 patent") and U.S. Patent No. 7,529,579 ("the '579 patent") (collectively, "the Patents-in-Suit"). Ansar asserts the '888 and '579 patents against Defendants for making, using, offering to sell, selling and/or importing a cardio-respiratory monitor incorporating the technology of the Patents-in-Suit that allows the monitor to simultaneously measure the sympathetic and parasympathetic branches of the

autonomic nervous system ("ANS"), or for contributing to and/or inducing others to infringe the '888 and '579 patents.

THE PARTIES

- 2. The Ansar Group, Inc. is a corporation organized under the laws of Pennsylvania, having its principal place of business at 240 South 8th Street, Philadelphia, PA 19107.
- 3. Ansar Medical Tecnologies, Inc. is a corporation organized under the laws of Pennsylvania, having its principal place of business at 240 South 8th Street, Philadelphia, PA 19107.
- 4. Upon information and belief, Medtechs, LLC is a limited liability company organized under the laws of Nevada, having its principal place of business at 111 Beaver Dam Run, Durham, NC 27703. Upon information and belief, Medtechs, LLC's registered agent for service of process in Nevada is Business Filings, Inc., 311 South Division Street, Carson City, NV 89703. Upon information and belief, Medtechs, LLC has an office at 45 University Mews, Philadelphia, PA 19104.
- Upon information and belief, Meghan Ath is the President of Medtechs,
 LLC and resides at 111 Beaver Dam Run, Durham, NC 27703.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).

- 7. This court has personal jurisdiction over Medtechs, LLC because Medtechs, LLC has established minimum contacts with the forum such that the exercise of personal jurisdiction over Medtechs, LLC will not offend traditional notions of fair play and substantial justice.
- 8. This court has personal jurisdiction over Meghan Ath because Meghan Ath has established minimum contacts with the forum such that the exercise of personal jurisdiction over Meghan Ath will not offend traditional notions of fair play and substantial justice.
- 9. In addition, this Court has personal jurisdiction over Defendants because Defendants have knowingly and actively engaged in acts that have infringed and will infringe and/or contribute, induce, aid and/or abet the direct infringement of claims of the Patents-in-Suit in the Middle District of North Carolina.
 - 10. Venue is proper under 28 U.S.C. §§ 1391 and 1400(b).

FACTUAL BACKGROUND

- 11. On July 18, 2006, the United States Patent and Trademark Office duly and legally issued the '888 patent, entitled, "Method And Apparatus For Monitoring The Autonomic Nervous System Using Non-Stationary Spectral Analysis Of Heart Rate and Respiratory Activity." A copy of the '888 patent is attached as Exhibit A.
 - 12. The Ansar Group, Inc. owns all right, title and interest in the '888 patent.
- 13. On May 5, 2009, the United States Patent and Trademark Office duly and legally issued the '579 patent, entitled, "Methods For Real-Time Autonomic Nervous

System Monitoring Using Total Heart Rate Variability, And Notched Windowing." A copy of the '579 patent is attached as Exhibit B.

- 14. The Ansar Group, Inc. owns all right, title and interest in the '579 patent.
- 15. Ansar is a medical technology developer that sells a cardio-respiratory monitor called the ANX 3.0. By measuring heart rate variability ("HRV") and respiratory variability, the ANX 3.0 allows physicians to independently and simultaneously measure both the sympathetic and parasympathetic branches of the ANS. Measuring ANS activity allows physicians to customize a patient's therapy and maintain ANS balance to extend overall survival, improve quality of life, and reduce the need for further medical treatment.
- 16. What differentiates the ANX 3.0 from traditional cardio-respiratory monitors that measure HRV is technology that performs a time-frequency analysis of respiratory activity, HRV and blood pressure that enables it to simultaneously measure both branches of the ANS. It is this technology to which the Patents-in-Suit are directed. A copy of Ansar's marketing brochure and ANX 3.0 specifications are attached as Exhibit C.
- 17. Medtechs, LLC is a healthcare management consulting company and competes with Ansar in various geographic markets.
- 18. Medtechs, LLC offers to sell, sells, manufactures and/or imports the QHRV1 Health Assessment System, a cardio-respiratory monitor that uses the accused technology. Medtechs, LLC either directly or through intermediaries (including

distributors, retailers and others), uses, ships, distributes, offers for sale, sells and/or advertises this product within the United States and in the Middle District of North Carolina. Medtechs, LLC has purposely and voluntarily placed products using the accused technology into the stream of commerce with the expectation that they will be purchased by consumers in the Middle District of North Carolina. Medtechs, LLC's products have been sold and continue to be sold in the Middle District of North Carolina.

- 19. Medtechs, LLC committed and continues to commit acts of patent infringement within the United States and in the Middle District of North Carolina by offering to sell, selling and/or importing at least the QHRV1 Health Assessment System.
- 20. Upon information and belief, Meghan Ath is the President of Medtechs, LLC, directing its activities including the manufacture, distribution and sales of products incorporating the claimed inventions of the Patents-in-Suit in the United States and in the Middle District of North Carolina.
- 21. Ath was a former independent contractor of Ansar. In his capacity as independent contractor, Ath signed a confidentiality agreement with Ansar on or about January 9, 2006. A copy of the confidentiality agreement is attached as Exhibit D.
- 22. Ath committed and continues to commit acts of patent infringement within the United States and in the Middle District of North Carolina by directing the activities of Medtechs, LLC including the manufacture, distribution and sales of products incorporating the claimed inventions of the Patents-in-Suit.

COUNT I: INFRINGEMENT OF THE '888 PATENT

- 23. Ansar restates and realleges the foregoing allegations as if fully stated herein.
- 24. Defendants, in violation of 35 U.S.C. § 271(a), have infringed and continue to infringe at least claim 1 and/or claim 21 of the '888 patent, and Ansar has been damaged thereby.
- 25. Ansar, under 35 U.S.C. § 284, is entitled to recover damages adequate to compensate for the infringement of Defendants, and the courts may increase the damages up to three times.
- 26. Ansar has been, and continues to be, damaged and irreparably harmed by the infringement of Defendants, which will continue unless the Court enjoins Defendants.
- 27. The infringement of the '888 patent by Defendants has been, and continues to be, deliberate, willful, and knowing.
- 28. The Court should declare this an exceptional case under 35 § U.S.C. 285, entitling Ansar to recover attorney's fees.

COUNT II: INFRINGEMENT OF THE '579 PATENT

- 29. Ansar restates and realleges the foregoing allegations as if fully stated herein.
- 30. Defendants, in violation of 35 U.S.C. § 271(a), have infringed and continue to infringe at least claim 1 of the '579 patent, and Ansar has been damaged thereby.

- 31. Ansar, under 35 U.S.C. § 284, is entitled to recover damages adequate to compensate for the infringement of Defendants, and the courts may increase the damages up to three times.
- 32. Ansar has been, and continues to be, damaged and irreparably harmed by the infringement of Defendants, which will continue unless the Court enjoins Defendants.
- 33. The infringement of the '579 patent by Defendants has been, and continues to be, deliberate, willful, and knowing.
- 34. The Court should declare this an exceptional case under 35 § U.S.C. 285, entitling Ansar to recover attorney's fees.

COUNT III: INDIRECT INFRINGEMENT OF THE '888 PATENT

- 35. Ansar restates and realleges the foregoing allegations as if fully stated herein.
- 36. Defendants, in violation of 35 U.S.C. § 271(b) and/or (c), have and continue to knowingly contribute to and/or knowingly induce others to infringe at least claim 1 and/or claim 21 of the '888 patent, and Ansar has been damaged thereby.
- 37. Ansar, under 35 U.S.C. § 284, is entitled to recover damages adequate to compensate for the infringement of Defendants, and the court may increase the damages up to three times.

- 38. Defendants' systems, products and/or methods and the systems, products and/or methods to which Defendants contribute to and/or induce infringement are not staple articles of commerce suitable for substantial noninfringing use.
- 39. Ansar has been, and continues to be, damaged and irreparably harmed by the infringement of Defendants, which will continue unless the Court enjoins Defendants.
- 40. The infringement of the '888 patent by Defendants has been, and continues to be, deliberate, willful, and knowing.
- 41. The Court should declare this an exceptional case under 35 § U.S.C. 285, entitling Ansar to recover attorney's fees.

COUNT IV: INDIRECT INFRINGEMENT OF THE '579 PATENT

- 42. Ansar restates and realleges the foregoing allegations as if fully stated herein.
- 43. Defendants, in violation of 35 U.S.C. § 271(b) and/or (c), have and continue to contribute to and/or induce others to infringe at least claim 1 of the '579 patent, and Ansar has been damaged thereby.
- 44. Ansar, under 35 U.S.C. § 284, is entitled to recover damages adequate to compensate for the infringement of Defendants, and the court may increase the damages up to three times.

- 45. Defendants' systems, products and/or methods and the systems, products and/or methods to which Defendants contribute to and/or induce infringement are not staple articles of commerce suitable for substantial noninfringing use.
- 46. Ansar has been, and continues to be, damaged and irreparably harmed by the infringement of Defendants, which will continue unless the Court enjoins Defendants.
- 47. The infringement of the '579 patent by Defendants has been, and continues to be, deliberate, willful, and knowing.
- 48. The Court should declare this an exceptional case under 35 § U.S.C. 285, entitling Ansar to recover attorney's fees.

DEMAND FOR JURY TRIAL

49. Ansar demands a trial by jury under Federal Rule of Civil Procedure 38 for all issues triable by jury.

PRAYER FOR RELIEF

Ansar prays for judgment in its favor and against Medtechs, LLC and Meghan Ath, collectively and individually, as follows:

- (a) That defendants have infringed, contributed to and/or induced the infringement of one or more claims of each of the Patents-in-Suit;
 - (b) That Defendants' infringement has been willful;
 - (c) That this case be declared an exceptional case under 35 U.S.C. § 285;

(d) That Ansar be awarded damages adequate to compensate Ansar for

Defendants' infringement of each of the Patents-in-Suit, including lost profits, but in

no event less than a reasonable royalty;

That Ansar's damages be trebled pursuant to 35 U.S.C. § 284; (e)

(f) That Ansar be awarded its attorney's fees and costs pursuant to 35 U.S.C. §

285;

That this Court enjoin Defendants, their officers, directors, principals, (g)

agents, servants, employees, successors, assigns, affiliates, and all that are in active

concert or participation with them, or any of them, from further infringement of each

of the asserted claims of the Patents-in-Suit;

(h) That Ansar be awarded pre- and post-judgment interest on all damages;

(i) That Ansar be awarded all its costs and expenses in this action; and

Such further and other relief as the Court may deem just and proper. (j)

Respectfully submitted, this the 9th day of February, 2012

/s/ Kearns Davis

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