EdiZONE, LLC Casey K. McGarvey (4882) 123 East 200 North Alpine, Utah 84004 (801) 936-1039 casey@edizone.com

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,

VS.

SUNRISE MEDICAL HOLDINGS, INC., a Delaware corporation, SUNRISE MEDICAL HHG, INC., a California corporation, SUNRISE MEDICAL, INC., a Delaware corporation, SUNRISE MEDICAL (US) LLC, a Delaware limited liability company, and DOES 1 – 50,

Defendants.

COMPLAINT AND JURY DEMAND

Case No.: 2:12-cv-01218-EJF

Magistrate Judge Evelyn J. Furse

EdiZONE, LLC, Plaintiff, hereby alleges and claims against Defendants, Sunrise Medical Holdings, Inc., Sunrise Medical HHG, Inc., Sunrise Medical, Inc., Sunrise Medical (US) LLC 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, by assignment from EdiZONE, LC, a Utah limited liability company who owned the patents in 2008, through EdiZONE's parent company, TNT Holdings, LLC.
- 2. On information and belief, EdiZONE believes the following as to each of the Defendants:
- a. Defendants Sunrise Medical Holdings, Inc., Sunrise Medical HHG, Inc., Sunrise Medical, Inc., and/or Sunrise Medical (US) LLC (hereafter individually and collectively "Sunrise") are Delaware or California corporations and a Delaware limited liability company with their principle place of business in Longmont, Colorado, Sacramento, California and/or Fresno, California. Having similar addresses, these companies are interrelated and/or engaged in the common business of manufacturing and selling seating systems and products, including Jay® Seating Products. Sunrise's Jay® Seating Products are distributed in the United States through sales organizations, distributors and dealers, including dealers located in the State of Utah.
- b. Defendants Does 1 50 are sales organizations, distributors and dealers who are selling Sunrise's Jay® Seating Products to consumers 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 through agents, or in the stream of commerce with the intent that such products 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 selling within the United States of America Jay® Seating Products of which some models include a "fluid" pad or cushioning component. The "fluid" in these pads or cushioning components includes 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 "fluid" taken from a Jay 2 seat cushion product is shown in the photographs attached hereto as Exhibit A. All Jay® Seating Products that have this pad or cushion component are referred to hereafter as the "Products."
- 7. EdiZONE's predecessor-in-interest as to the patents-in-suit, EdiZONE, LC, first discovered in late 2008 the particular "fluid" in Sunrise's Jay® Seating Products that is at issue

in this action, and EdiZONE has initiated this action for patent infringement by those Products as soon as it was able to do so.

- 8. Sunrise has had constructive knowledge of the patents-in-suit through patent markings on other seating products during the six-year period of time preceding the initiation of this action for which damages are allowed under the law, and in fact it is believed to have had actual knowledge of these patents for most if not all of that period of time through its predecessor-in-interest, Jay Medical, Ltd.
- 9. EdiZONE is pursuing this action because after receiving notice of this action, Sunrise has refused to cease and desist its unlawful conduct and/or has refused to pay to EdiZONE fair compensation for all past use of the patents-in-suit for the six year period preceding this action and all continuing use during the life of the patents-in-suit following the initiation of this action.
- 10. EdiZONE is forced by Sunrise's conduct to pursue this action in order 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 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. Upon information and belief, if not enjoined by the Court, Defendants will continue to infringe the 099 Patent.
- 17. EdiZONE reserves the right to amend this 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 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. Upon information and belief, if not enjoined by the Court, Defendants will continue to infringe the 055 Patent.
- 25. EdiZONE reserves the right to amend this 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 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 31st day of December, 2012.

__/s/ Casey K. McGarvey
Casey K. McGarvey
Attorney for EdiZONE, LLC

EXHIBIT A



