IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF INDIANA SOUTH BEND DIVISION

CERAMEDIC LLC,

Plaintiff,

Civil Action No. 14-cv-1771

v.

JURY DEMAND

DEPUY ORTHOPAEDICS, INC.,

Defendant.

COMPLAINT

CeraMedic LLC ("CeraMedic") hereby asserts claims of patent infringement against DePuy Orthopaedics, Inc. ("DePuy") and alleges as follows:

THE PARTIES

- 1. CeraMedic is a Florida limited liability company having a place of business at 2400 Dallas Parkway, Suite 200, Plano, TX 75093.
- 2. On information and belief, DePuy Orthopaedics, Inc. is an Indiana corporation having a principal place of business at 700 Orthopaedic Drive, Warsaw, IN 46582.

PATENT-IN-SUIT

3. U.S. Patent No. 6,066,584 ("the '584 patent"), entitled "Sintered AL₂O₃ Material," Process for Its Production and Use of the Material" was lawfully issued on May 23, 2000, with the original assignee Fraunhofer-Gesellschaft zur Förderung der Angewandten Forschung e.V., Germany ("Fraunhofer"). CeraMedic is the owner, through assignment, of the title, interest, and rights to enforce and collect damages for all past, present, and future infringements of the '584

patent by the accused products and the use thereof. A copy of the '584 patent is attached as Exhibit A.

BACKGROUND

- 4. Fraunhofer is Europe's largest application-oriented research organization. Its research efforts are geared entirely to people's needs: health, security, communication, energy and the environment. As a result, the work undertaken by its researchers and developers has a significant impact on people's lives. Fraunhofer was honored by Thomson Reuters as one of the Top 100 Global Innovators in 2013.
- 5. Fraunhofer is the assignee of over 1,500 U.S. patents and was the original assignee of the '584 patent. In early 2014, Fraunhofer assigned ownership of the '584 patent to CeraMedic.
- 6. The '584 patent relates to the field of ceramics and concerns sintered Al₂O₃ compositions and methods for the use of such material as medical implants or tool material.
- 7. On information and belief, CeramTec GmbH ("CeramTec") developed and manufactures BIOLOX® Delta, an aluminum oxide matrix composite ceramic comprising approximately 82% alumina (Al₂O₃), 17% zirconia (ZrO₂), and other trace elements.
- 8. BIOLOX® Delta is incorporated into DePuy products, such as DePuy ARTICUL/EZE® BIOLOX® Delta Ceramic Femoral Heads and DePuy S-ROM® BIOLOX® Delta Ceramic Femoral Heads.
- 9. DePuy ARTICUL/EZE® BIOLOX® Delta Ceramic Femoral Heads and DePuy S-ROM® BIOLOX® Delta Ceramic Femoral Heads can be used in conjunction with compatible DePuy acetabular and femoral stem components for primary and revision total hip arthroplasty.

- 10. On information and belief, DePuy is knowledgeable about the science behind BIOLOX® Delta material, including its composition, performance characteristics, and manufacture.
- 11. On information and belief, DePuy designs, develops, manufactures, offers for sale, sells, uses, distributes, and markets hip implants, many of which include DePuy ARTICUL/EZE® BIOLOX® Delta Ceramic Femoral Heads and/or DePuy S-ROM® BIOLOX® Delta Ceramic Femoral Heads.

JURISDICTION AND VENUE

- 12. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338 because this action arises under the patent laws of the United States, including 35 U.S.C. § 271 *et seq.*
- 13. This Court has personal jurisdiction over DePuy because, among other things, DePuy's headquarters are located in Warsaw, Indiana and because, on information and belief, DePuy engages in substantial and ongoing business in this District.
- 14. On information and belief, DePuy offers to sell, sells, and distributes its DePuy ARTICUL/EZE® BIOLOX® Delta Ceramic Femoral Heads and DePuy S-ROM® BIOLOX® Delta Ceramic Femoral Heads, which infringe the '584 patent, to healthcare institutions and/or medical professionals within this District.
- 15. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400(b).

COUNT I – INFRINGEMENT OF THE '584 PATENT

16. CeraMedic realleges and incorporates by reference each of the preceding paragraphs.

- 17. On information and belief, DePuy, directly or through the actions of its employees, divisions, and/or subsidiaries, has infringed and continues to infringe the '584 patent directly, literally, and/or by equivalents.
- 18. On information and belief, DePuy has infringed and continues to infringe the '584 patent literally and/or by equivalents under 35 U.S.C. § 271(a) by, among other things, importing BIOLOX® Delta ceramics, and making, using, offering for sale, and selling DePuy ARTICUL/EZE® BIOLOX® Delta Ceramic Femoral Heads and DePuy S-ROM® BIOLOX® Delta Ceramic Femoral Heads, individually and/or as part of hip replacement products.
- 19. On information and belief, DePuy has infringed and continues to infringe the '584 patent literally and/or by equivalents under 35 U.S.C. § 271(g) by, among other things, importing BIOLOX® Delta ceramics manufactured by CeramTec outside of the United States, which manufacture by CeramTec would infringe the '584 patent if it occurred in the United States.
- 20. On information and belief, DePuy has infringed and continues to infringe the '584 patent literally and/or by equivalents under 35 U.S.C. § 271(g) by, among other things, using, offering for sale, and selling DePuy ARTICUL/EZE® BIOLOX® Delta Ceramic Femoral Heads, DePuy S-ROM® BIOLOX® Delta Ceramic Femoral Heads, and/or other products that include BIOLOX® Delta, individually and/or as part of hip replacement products, which products include BIOLOX® Delta manufactured by CeramTec outside of the United States, which manufacture by CeramTec would infringe the '584 patent if it occurred in the United States.
- 21. On information and belief, at least as of the filing of this Complaint, because DePuy knew of the '584 patent and knew of the science behind BIOLOX® Delta, including its manufacture, DePuy has ignored and/or disregarded that DePuy's actions constituted

infringement of a valid patent and DePuy continues to ignore and/or disregard an objectively high risk that DePuy's actions constitute infringement of a valid patent.

22. On information and belief, at least as of the filing of this Complaint, DePuy's infringement of the '584 patent is and has been willful and deliberate, and, further, DePuy's continued infringement after the filing of this Complaint shall constitute willful and deliberate infringement of the '584 patent.

DAMAGES AND RELIEF

23. As a consequence of DePuy's infringement of the '584 patent, CeraMedic has been damaged in an amount not yet determined and will suffer additional irreparable damage unless DePuy's infringing acts are enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, CeraMedic respectfully requests that the Court enter judgment against DePuy:

- A. Determining that DePuy has infringed and continues to infringe one or more claims of the '584 patent;
- B. Preliminarily and permanently enjoining DePuy, its respective officers, agents, servants, directors, employees, and attorneys, and all persons acting in concert or participation with it, directly or indirectly, or any of them who receive actual notice of the judgment, from further infringing the '584 patent;
- C. Ordering DePuy to account for and pay to CeraMedic all damages suffered by CeraMedic as a consequence of DePuy's infringement of the '584 patent, together with all prejudgment and post-judgment interest and costs as fixed by the Court;

- D. Trebling or otherwise increasing CeraMedic's damages under 35 U.S.C. § 284 on the grounds that DePuy's infringement of the '584 patent was deliberate and willful;
- E. Declaring that this case is exceptional and awarding CeraMedic its costs and reasonable attorneys' fees in accordance with 35 U.S.C. § 285; and
- F. Granting CeraMedic such other and further relief as the Court may deem just and proper.

JURY DEMAND

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, CeraMedic hereby requests a trial by jury for all issues so triable.

Dated: August 1, 2014 By: /s/ Laurie Stempler

Laurie Stempler

DESMARAIS LLP

John M. Desmarais (pro hac vice forthcoming)

Email: jdesmarais@desmaraisllp.com

Laurie Stempler

Email: lstempler@desmaraisllp.com

Kevin K. McNish

Email: kmcnish@desmaraisllp.com

230 Park Avenue New York, NY 10169 Telephone: (212)-351-3400

Facsimile: (212)-351-3401

James M. Lewis (15784-71) ilewis@thklawfirm.com Michael J. Hays (23606-71) mhays@thklawfirm.com TUESLY HALL KONOPA LLP 212 E. LaSalle Avenue, Suite 100 South Bend, IN 46617

Telephone: 574-232-3538 Facsimile: 574-232-3790

Attorneys for CeraMedic LLC