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13 e.Digital Corporation

14 **UNITED STATES DISTRICT COURT**  
15 **SOUTHERN DISTRICT OF CALIFORNIA**

16 e.Digital Corporation,  
17 Plaintiff,

18 v.

19 Curtis International Ltd.  
20 Defendant.

Case No. 3:12-cv-02891-DMS-WVG

**PLAINTIFF E.DIGITAL  
CORPORATION'S SECOND  
AMENDED COMPLAINT FOR  
PATENT INFRINGEMENT**

**DEMAND FOR JURY TRIAL**

**Honorable Judge Dana M. Sabraw**

**Ctrm: 13A (Annex)**

21 Plaintiff e.Digital Corporation (“e.Digital” or “Plaintiff”), by and through its  
22 undersigned counsel, complains and alleges against Curtis International Ltd.  
23 (“Curtis”) (“Defendant”) as follows:

**NATURE OF THE ACTION**

24 1. This is a civil action for infringement of a patent arising under the  
25 laws of the United States relating to patents, 35 U.S.C. § 101, *et seq.*, including,  
26 without limitation, § 281. Plaintiff e.Digital seeks a preliminary and permanent  
27 injunction and monetary damages for the infringement of its U.S. Patent Nos.  
28 5,742,737 and 5,491,774.

1 **JURISDICTION AND VENUE**

2 2. This court has subject matter jurisdiction over this case for patent  
3 infringement under 28 U.S.C. §§ 1331 and 1338(a) and pursuant to the patent laws  
4 of the United States of America, 35 U.S.C. § 101, *et seq.*

5 3. Venue properly lies within the Southern District of California  
6 pursuant to the provisions of 28 U.S.C. §§ 1391(b), (c), and (d) and 1400(b). On  
7 information and belief, Defendant conducts substantial business directly and/or  
8 through third parties or agents in this judicial district by selling and/or offering to  
9 sell the infringing products and/or by conducting other business in this judicial  
10 district. Furthermore, Plaintiff e.Digital is headquartered and has its principal  
11 place of business in this district, engages in business in this district, and has been  
12 harmed by Defendant’s conduct, business transactions and sales in this district.

13 4. This Court has personal jurisdiction over Defendant because, on  
14 information and belief, Defendant transactS continuous and systematic business  
15 within the State of California and the Southern District of California. In addition,  
16 this Court has personal jurisdiction over the Defendant because, on information  
17 and belief, this lawsuit arises out of Defendant’S infringing activities, including,  
18 without limitation, the making, using, selling and/or offering to sell infringing  
19 products in the State of California and the Southern District of California. Finally,  
20 this Court has personal jurisdiction over Defendant because, on information and  
21 belief, Defendant has made, used, sold and/or offered for sale its infringing  
22 products and placed such infringing products in the stream of interstate commerce  
23 with the expectation that such infringing products would be made, used, sold  
24 and/or offered for sale within the State of California and the Southern District of  
25 California.

26 **PARTIES**

27 5. Plaintiff e.Digital is a Delaware corporation with its headquarters and  
28 principal place of business at 16870 West Bernardo Drive, Suite 120, San Diego,

1 California 92127.

2 6. Upon information and belief, Curtis International Ltd. is a Canadian  
3 corporation, with a principal place of business located at 315 Atwell Drive  
4 Etobicoke, Ontario, Canada M9W 5C1. Upon information and belief, Curtis  
5 International Ltd. manufactures, pursuant to one or more agreements with  
6 Sylvania, one or more of the products at issue.

7 **THE ASSERTED PATENTS**

8 7. On April 21, 1998, United States Patent No. 5,742,737 (“the ’737  
9 patent”) entitled “Method For Recording Voice Messages On Flash Memory In A  
10 Hand Held Recorder,” was duly and legally issued by the United States Patent and  
11 Trademark Office. The named inventors are Norbert P. Daberko, Richard K.  
12 Davis, and Richard D. Bridgewater. e.Digital is the assignee and owner of the  
13 entire right, title and interest in and to the ’737 patent and has the right to bring this  
14 suit for damages and other relief. A true and correct copy of the ’737 patent is  
15 attached hereto as Exhibit A.

16 8. On October 17, 2012, the United States Patent and Trademark Office  
17 issued a Reexamination Certificate for the ’737 patent, canceling Claim 5 and  
18 adding new Claim 13, which is substantially identical to former claim 5. A true  
19 and correct copy of the Reexamination Certificate is attached hereto as Exhibit B.

20 9. On February 13, 1996, United States Patent No. 5,491,774 (“the ’774  
21 patent”) entitled “Handheld Record And Playback Device With Flash Memory,”  
22 was duly and legally issued by the United States Patent and Trademark Office.  
23 The named inventors are Elwood G. Norris, Norbert P. Daberko, and Steven T.  
24 Brightbill. e.Digital is the assignee and owner of the entire right, title and interest  
25 in and to the ’774 patent and has the right to bring this suit for damages and other  
26 relief. A true and correct copy of the ’774 patent is attached hereto as Exhibit C.

27 10. On August 14, 2012, the United States Patent and Trademark Office  
28 issued a Reexamination Certificate for the ’774 patent. A true and correct copy of

1 the Reexamination Certificate is attached hereto as Exhibit D.

2 **COUNT ONE**

3 **INFRINGEMENT OF THE '737 PATENT BY DEFENDANT**

4 11. Plaintiff re-alleges and incorporates by reference each of the  
5 allegations set forth in paragraphs 1 through 11 above.

6 12. Upon information and belief, Defendant, without authority, (a) has  
7 directly infringed and continue to directly infringe the '737 patent by making,  
8 using, offering to sell, or selling within the United States, or importing into the  
9 United States, products that practice one ore more claims of the '737 patent in  
10 violation of 35 U.S.C. § 271(a); (b) has induced and continues to induce  
11 infringement of one or more claims of the '737 patent in violation of 35 U.S.C. §  
12 271(b); and (c) has contributed and continue to contribute to the infringement of  
13 one ore more claims of the '737 patent in violation of 35 U.S.C. § 271(c).

14 13. The accused products for purposes of the '737 patent include but are  
15 not limited to the SMPK4964, SMP1003, SMPK2066, SMPK4066, SMPK2077,  
16 SMPK8854B, SMPK2312, SMPK3608, SMPK4077, SMPK6958, SMPK7634,  
17 SMPK7904, SMPK7958, SMPK7954, SMPS2018, SMPK1066,  
18 SMP1015, SMPS1017/2017, SMPK2242, SMPK8858, SMP1036, SMPK1021/2021,  
19 and SMPK2072 mp3/mp4 players/recorders.

20 14. The accused products, alone or in combination with other products,  
21 practice each of the limitations of independent claims 1, 4, 9, and 13, and  
22 dependent claims 2 through 3 and 6 of the '737 patent.

23 15. Upon information and belief, Defendant, without authority, has  
24 actively induced infringement and continues to actively induce infringement of the  
25 '737 patent in violation of 35 U.S.C. § 271(b) by causing others to directly infringe  
26 the claims of the '737 patent and/or by intentionally instructing others how to use  
27 the accused products in a manner that infringes the claims of the '737 patent. On  
28 information and belief, Defendant has induced and continue to induce infringement

1 by instructing customers to operate the products in an infringing manner and/or  
2 when Defendant tests or otherwise operates the accused products in the United  
3 States.

4 16. Upon information and belief, Defendant, without authority, has  
5 contributed to and continues to contribute to the infringement of the '737 patent in  
6 violation of 35 U.S.C. § 271(c) by importing into the United States, selling and/or  
7 offering to sell within the United States accused products that (1) constitute a  
8 material part of the invention of the '737 patent, (2) Defendant knows to be  
9 especially adapted for use in infringing the '737 patent, and (3) are not staple  
10 articles of commerce suitable for substantial noninfringing use with respect to the  
11 '737 patent.

12 17. Based on information and belief, Plaintiff alleges that Defendant sells,  
13 ships, or otherwise delivers the accused products with all the features required to  
14 infringe the asserted claims of the '737 patent. On information and belief, these  
15 products are designed to practice the infringing features.

16 18. Defendant had knowledge of infringement of the '737 patent since at  
17 least the filing of this complaint and perhaps as early as 2010 by virtue of the  
18 Plaintiff's filing of complaints against others within Defendant's industry. On  
19 information and belief, Defendant has continued to sell products that practice the  
20 '737 patent after acquiring knowledge of infringement.

21 19. Upon information and belief, the infringement by Defendant has been  
22 and is willful.

23 20. Plaintiff has been irreparably harmed by these acts of infringement  
24 and has no adequate remedy at law. Upon information and belief, infringement of  
25 the '737 patent is ongoing and will continue unless Defendant is enjoined from  
26 further infringement by the court.

27 **COUNT TWO**

28 **INFRINGEMENT OF THE '774 PATENT BY DEFENDANT**

***SECOND AMENDED COMPLAINT***

Case No. 3:12-cv-02891-DMS-WVG

1 21. Plaintiff re-alleges and incorporates by reference each of the  
2 allegations set forth in paragraphs 1 through 11 above.

3 22. Upon information and belief, Defendant, without authority, (a) has  
4 directly infringed and continues to directly infringe the '774 patent by making,  
5 using, offering to sell, or selling within the United States, or importing into the  
6 United States, products that practice one or more claims of the '774 patent in  
7 violation of 35 U.S.C. § 271(a); (b) has induced and continue to induce  
8 infringement of one or more claims of the '774 patent in violation of 35 U.S.C. §  
9 271(b); and (c) has contributed and continues to contribute to the infringement of  
10 one or more claims of the '774 patent in violation of 35 U.S.C. § 271(c).

11 23. The accused products for purposes of the '774 patent include but are  
12 not limited to the SMPK4964, SMPK8854B, SMPK3608, SMPK6958,  
13 SMPK7634, SMPK7904, SMPK7958, SMPK7954, and SMPK8858 mp3/mp4  
14 players/recorders.

15 24. The accused products, alone or in combination with other products,  
16 practice each of the limitations of independent claims 33 and 34, and dependent  
17 claims 2, 6 through 8, 10, 15 through 16, 18, 23 through 26, and 28 through 31 of  
18 the '774 patent.

19 25. Upon information and belief, Defendant, without authority, has  
20 actively induced infringement and continues to actively induce infringement of the  
21 '774 patent in violation of 35 U.S.C. § 271(b) by causing others to directly infringe  
22 the claims of the '774 patent and/or by intentionally instructing others how to use  
23 the accused products in a manner that infringes the claims of the '774 patent. On  
24 information and belief, Defendant has induced and continue to induce infringement  
25 by instructing customers to operate the products in an infringing manner and/or  
26 when Defendant tests or otherwise operates the accused products in the United  
27 States.

28 26. Upon information and belief, Defendant, without authority, has

1 contributed to and continues to contribute to the infringement of the '774 patent in  
2 violation of 35 U.S.C. § 271(c) by importing into the United States, selling and/or  
3 offering to sell within the United States accused products that (1) constitutes a  
4 material part of the invention of the '774 patent, (2) Defendant knows to be  
5 especially adapted for use in infringing the '774 patent, and (3) are not staple  
6 articles of commerce suitable for substantial noninfringing use with respect to the  
7 '774 patent.

8 27. Based on information and belief, Plaintiff alleges that Defendant sells,  
9 ships, or otherwise delivers the accused products with all the features required to  
10 infringe the asserted claims of the '774 patent. On information and belief, these  
11 products are designed to practice the infringing features.

12 28. Defendant had knowledge of infringement of the '774 patent since at  
13 least the filing of this complaint and perhaps as early as 2010 by virtue of the  
14 Plaintiff's filing of complaints against others within Defendant's industry. On  
15 information and belief, Defendant has continued to sell products that practice the  
16 '774 patent after acquiring knowledge of infringement.

17 29. Upon information and belief, the infringement by Defendant has been  
18 and is willful.

19 30. Plaintiff has been irreparably harmed by these acts of infringement  
20 and has no adequate remedy at law. Upon information and belief, infringement of  
21 the '774 patent is ongoing and will continue unless Defendant is enjoined from  
22 further infringement by the court.

23 **PRAYER FOR RELIEF**

24 WHEREFORE, Plaintiff prays for relief and judgment as follows:

- 25 1. That Defendant be declared to have infringed the Patents-in-Suit;  
26 2. That Defendant's infringement of the Patents-in-Suit has been  
27 deliberate and willful;  
28 3. Preliminarily and permanently enjoining the Defendant's officers,



1 agents, servants, employees, and attorneys, and those persons in active concert or  
2 participation with them, from infringement of the Patents-in-Suit, including but not  
3 limited to any making, using, offering for sale, selling, or importing of unlicensed  
4 infringing products within and without the United States;

5 4. Compensation for all damages caused by Defendant’s infringement of  
6 the Patents-in-Suit to be determined at trial;

7 5. Enhancing Plaintiff’s damages up to three (3) times their amount  
8 pursuant to 35 U.S.C. § 284;

9 6. Granting Plaintiff pre- and post-judgment interest on its damages,  
10 together with all costs and expenses; and

11 7. Awarding such other relief as this Court may deem just and proper.

12 **HANDAL & ASSOCIATES**

13  
14 Dated: July 2, 2013

15 By: /s/Pamela C. Chalk  
16 Anton N. Handal  
17 Pamela C. Chalk  
18 Gabriel G. Hedrick  
19 Attorneys for Plaintiff  
20 e.Digital Corporation



**DEMAND FOR JURY TRIAL**

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Plaintiff hereby demands a trial by jury on all claims.

**HANDAL & ASSOCIATES**

Dated: July 2, 2013

By: /s/ Pamela C. Chalk  
Anton N. Handal  
Pamela C. Chalk  
Gabriel G. Hedrick  
Attorneys for Plaintiff  
e.Digital Corporation

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the foregoing document has been served on this date to all counsel of record, if any to date, who are deemed to have consented to electronic service via the Court’s CM/ECF system per CivLR 5.4(d). Any other counsel of record will be served by electronic mail, facsimile and/or overnight delivery upon their appearance in this matter.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed this 2<sup>nd</sup> day of July, 2013 at San Diego, California.

**HANDAL & ASSOCIATES**

Dated: July 2, 2013

By: /s/Pamela C. Chalk  
Anton N. Handal  
Pamela C. Chalk  
Gabriel G. Hedrick  
Attorneys for Plaintiff  
e.Digital Corporation