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LIPPERT COMPONENTS, INC.

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION**

LIPPERT COMPONENTS, INC., a
Delaware corporation,

Plaintiff,

vs.

NEWHOUSE UPHOLSTERY, a California
corporation, and **EFS INDUSTRIES, INC, a**
California corporation,

Defendants.

**FIRST AMENDED COMPLAINT
WITH DEMAND FOR
JURY TRIAL**

Case No. 1:08-cv-86

Judge Bruce S. Jenkins

Plaintiff, Lippert Components, Inc., by and through counsel, alleges and complains
against Defendants, Newhouse Upholstery and EFS Industries, Inc., as follows:

THE PARTIES

1. Plaintiff, Lippert Components, Inc. (“LCI” or “Plaintiff”), is a Delaware corporation having a place of business at 505 North Kays Dr., Kaysville, Utah 84037. LCI makes and sells patented couch/bed systems for use in RVs. The couch/beds move between a sleeping configuration and a seating configuration and are designed to be mounted in an RV in a manner that allows them to move vertically (“couch/beds”).

2. Upon information and belief, Defendant, Newhouse Upholstery, is a California corporation having a place of business at 2309 Edwards Ave., South El Monte, CA 91733 and Defendant, EFS Industries, Inc., is a California corporation having an address of 4991 Old Ranch Rd., La Verne, CA 91750 (collectively referred to herein as “Defendants”). Upon information and belief, Defendants, individually or in collaboration with each other, make, use, offer to sell, sell, import, and/or otherwise distribute infringing couch/beds.

JURISDICTION AND VENUE

3. This action is for patent infringement under 35 U.S.C. § 271. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338. This Court also has jurisdiction pursuant to 28 U.S.C. § 1332 based upon the diversity of the citizenship of the parties.

4. This Court has personal jurisdiction over Defendants due to its activities of selling, offering to sell, advertising, distributing, and/or supplying products in the state of Utah, including, but not limited to supplying infringing couch/beds in recreational vehicles that are offered for sale and sold in the State of Utah.

5. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391 and 28 U.S.C. § 1400(b).

GENERAL ALLEGATIONS

6. LCI owns a valid and enforceable United States patent, U.S. Patent No. 7,350,850 (“the ’850 patent”), issued on 1 April 2008 and entitled “Bed that Moves Vertically and Converts into a Couch.” The ’850 patent is hereby incorporated by reference.

7. LCI owns a valid and enforceable United States patent, U.S. Patent No. 7,384,093 (“the ’093 patent”), issued on 10 June 2008 and entitled “System for Lifting Various Objects in a Vehicle.” The ’093 patent is hereby incorporated by reference.

8. LCI owns a valid and enforceable United States patent, U.S. Patent No. 6,983,979 (“the ’979 patent”), issued on 10 January 2006 and entitled “System for Moving Beds.” The ’979 patent is hereby incorporated by reference.

9. LCI owns a valid and enforceable United States patent, U.S. Patent No. 6,983,980 (“the ’980 patent”), issued on 10 January 2006 and entitled “System for Moving a Bed Using an Endless Drive.” The ’980 patent is hereby incorporated by reference.

10. LCI owns a valid and enforceable United States patent, U.S. Patent No. 6,988,760 (“the ’760 patent”), issued on 24 January 2006 and entitled “System for Moving a Bed Using a Chain.” The ’760 patent is hereby incorporated by reference.

11. Defendants manufacture or have manufactured, use, offer to sell, sell, and/or import couch/beds that infringe one or more of the claims of the ’850 patent and the ’093 patent as well as at least claims 10, 22, 41, 52, 67, 71, 72, and 86 of the ’979 patent, at least claims 10 and 20 of the ’980 patent, and at least claims 14, 24, and 36 of the ’760 patent (the ’850 patent,

the '093 patent, the '979 patent, the '980 patent, and the '760 patent are collectively referred to herein as "LCI's patents"). The couch/beds supplied by Defendants are now being sold in Utah in recreational vehicles.

12. Upon information and belief, Defendants have actively induced others, such as manufacturers of recreational vehicles, to make, use, offer for sale, and/or sell recreational vehicles that infringe LCI's patents by, among other things, supplying couch/beds to the recreational vehicle manufacturers. Upon information and belief, Defendants know of LCI's patents and knew or should have known that supplying its couch/beds to manufacturers of recreational vehicles would induce actual infringements of LCI's patents.

13. Upon information and belief, Defendants have contributed to infringement of LCI's patents by making and supplying, offering to sell, and/or selling couch/beds to recreational vehicle manufacturers knowing the couch/beds to be especially made or especially adapted for use in an infringement of LCI's patents. The couch/beds being supplied by Defendants are not a staple article or commodity of commerce suitable for substantial noninfringing use.

14. At no time has LCI given Defendants permission, license, or authorization to use LCI's patented technology.

15. Defendants will likely continue to willfully and deliberately engage in acts of infringement of LCI's patents unless enjoined by this Court.

16. Defendants' continued making, using, selling, offering to sell, importation, and/or distribution of its couch/beds has injured, is injuring and will continue to cause irreparable injury to LCI's valuable patent rights and market.

FIRST CAUSE OF ACTION
PATENT INFRINGEMENT UNDER 35 U.S.C. § 271

17. LCI hereby re-alleges and incorporates by reference the preceding allegations of this Complaint.

18. Defendants' actions as described above, and specifically Defendants' unauthorized manufacture, use, sale, offer to sell, and/or importation of its couch/beds constitute infringement of LCI's patents under 35 U.S.C. § 271 in that Defendants have willfully, knowingly, and/or deliberately aided and abetted direct infringement of LCI's patents through inducing infringement and/or contributing to infringement.

19. LCI is entitled to an injunction pursuant to 35 U.S.C. § 283 prohibiting Defendants from further making, using, selling, offering to sell, or importing its couch/beds without permission or license from LCI.

20. LCI is entitled to damages under 35 U.S.C. § 284 adequate to compensate for Defendants' infringing activities and for the infringing activities of third parties that Defendants have induced or contributed to, including any lost profits, but in no event less than a reasonable royalty.

21. The infringement by Defendants of LCI's patents has and will cause LCI injury. The injury to LCI is continuing and will cause irreparable harm unless enjoined by this Court.

22. Defendants' continued manufacture, use, sale, offers to sell, and/or importation of its couch/beds are deliberate and constitute willful infringement of LCI's patents. LCI, therefore, is entitled to treble damages and attorneys' fees and costs incurred in this action, along with prejudgment interest under 35 U.S.C. §§ 284 and 285.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, LCI, prays for the following relief and requests that:

A. The Court enter judgment against Defendants for infringement of LCI's patents under 35 U.S.C. § 271;

B. The Court grant permanent injunctive relief pursuant to 35 U.S.C. § 283 enjoining Defendants, any of Defendants' officers, directors, principals, agents, licensees, servants, employees, successors and assigns, and any and all others aiding, abetting, or acting in concert or active participation with them, from further acts of infringement of LCI's patents;

C. The Court order Defendant to account to LCI for all sales, revenues, and profits derived from the sale of Defendants' couch/beds and any other products that infringe LCI's patents pursuant to 35 U.S.C. § 284;

D. The Court award LCI its damages adequate to compensate LCI for the infringement of LCI's patents by Defendants, including any lost profits, but in no event less than a reasonable royalty, together with prejudgment interest, postjudgment interest, and costs;

E. The Court award LCI treble damages pursuant to 35 U.S.C. § 284;

F. The Court declare this an exceptional case and award LCI the costs of this action and reasonable attorneys' fees and expenses pursuant to 35 U.S.C. § 285 and the equity powers of the Court;

G. The Court award LCI prejudgment interest against Defendants on all sums allowed by law; and

H. The Court award LCI such other and further relief as the Court may deem just and proper.

JURY DEMAND

LCI demands that all claims or causes of action raised in this Complaint be tried by a jury to the fullest extent possible under the law.

DATED this 8th day of October, 2008.

HOLLAND & HART LLP

/s/ Mark A. Miller

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