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10 **UNITED STATES DISTRICT COURT**
11 **SOUTHERN DISTRICT OF CALIFORNIA**

12 e.Digital Corporation,

13 Plaintiff,

14 v.

15 Microsemi Corporation; and, Microsemi
16 Corp. – Memory And Storage Solutions,

17 Defendants.
18
19

CASE NO.: 3:15-cv-00319-H-BGS

**FIRST AMENDED COMPLAINT
FOR PATENT INFRINGEMENT**

DEMAND FOR JURY TRIAL

**Assigned to the Honorable
Judge Marilyn Huff**

**Courtroom 15A (15th Floor -
Annex)**

20 Plaintiff e.Digital Corporation (“e.Digital” or “Plaintiff”), by and through its
21 undersigned counsel, complains and alleges against Defendants Microsemi
22 Corporation and Microsemi Corp. – Memory And Storage Solutions (collectively
23 referred to hereafter as “Microsemi” or “Defendant” or “Defendants”) as follows:

24 **NATURE OF THE ACTION**

25 1. This is a civil action for infringement of a patent arising under the
26 laws of the United States relating to patents, 35 U.S.C. § 101, *et seq.*, including,
27 without limitation, 35 U.S.C. §§ 271, 281. Plaintiff e.Digital seeks a preliminary
28 and permanent injunction and monetary damages for the infringement of its U.S.

1 Patent No. 5,839,108.

2 **JURISDICTION AND VENUE**

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

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

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

27 5. Upon information and belief, certain of the products manufactured,
28 marketed, and/or distributed by Defendants have been and/or are currently sold

1 and/or offered for sale by Defendants via the Microsemi website, Microsemi sales
 2 offices, and/or Microsemi sales contacts and/or via its distributors to customers,
 3 consumers, and/or end-users located, among other places, within the State of
 4 California.

5 6. Upon information and belief, Defendant Microsemi Corporation lists
 6 the accused products on its Microsemi website and provides marketing and other
 7 information with respect thereto. An example of this can be found at
 8 <http://www.microsemi.com/products/solid-state-drives/solid-state-drives>

9 7. Upon information and belief, Defendant Microsemi Corporation lists
 10 itself as a sales contact/sales representative for the accused products in Southern
 11 California. The address of One Enterprise, Aliso Viejo, CA, 92656 and telephone
 12 number of (714)372-8027 are listed as the contact information for its Southern
 13 California sales contact/sales representatives. An example of this can be found on
 14 Microsemi Corporation's website at [http://www.microsemi.com/sales-](http://www.microsemi.com/sales-contacts/0?option=com_microsemi&view=salescontact&Itemid=489&filter_reg=57944#)
 15 [contacts/0?option=com_microsemi&view=salescontact&Itemid=489&filter_reg=5](http://www.microsemi.com/sales-contacts/0?option=com_microsemi&view=salescontact&Itemid=489&filter_reg=57944#)
 16 [7944#](http://www.microsemi.com/sales-contacts/0?option=com_microsemi&view=salescontact&Itemid=489&filter_reg=57944#)

17 8. Upon information and belief, Defendant Microsemi Corporation
 18 conducts engineering, research and development, sales, and manufacturing
 19 activities at its headquarters as well as its many leased facilities which include but
 20 not are not limited to its Phoenix, Arizona facility which is believed to be located
 21 at 3601 E. University Drive Phoenix, AZ 85034. Upon information and belief and
 22 thereupon stated, Defendant Microsemi Corporation has indicated in such in
 23 financial documents, press releases, and other documents including but not limited
 24 to its 2014 Annual Report.

25 PARTIES

26 9. Plaintiff e.Digital is a Delaware corporation with its headquarters and
 27 principal place of business at 16870 West Bernardo Drive, Suite 120, San Diego,
 28 California 92127.

1 10. Upon information and belief, Defendant Microsemi Corporation is a
2 corporation registered and lawfully existing under the laws of the State of
3 Delaware, with an office and principal place of business located at One Enterprise
4 Aliso Viejo, CA 92656.

5 11. Upon information and belief, Defendant Microsemi Corp. – Memory
6 And Storage Solutions Corporation (“Microsemi Memory and Storage”) is a
7 corporation registered and lawfully existing under the laws of the State of Indiana,
8 with an office and principal place of business located at 3601 E. University Drive
9 Phoenix, AZ 85034. Upon information and belief, Microsemi Memory and
10 Storage was previously known as White Electronic Designs Corporation until it
11 was acquired by Defendant Microsemi Corporation. Upon information and belief,
12 Microsemi Corporation is the sole shareholder of Microsemi Memory and Storage.

13 12. Upon information and belief, Defendant Microsemi Memory and
14 Storage’s location is the Phoenix location Defendant Microsemi Corporation refers
15 to as one of its manufacturing locations in one or more of its annual reports. Upon
16 information and belief and thereupon stated, Defendant Microsemi Memory and
17 Storage is a subsidiary and the alter ego of Defendant Microsemi Corporation.
18 Upon information and belief and thereupon stated, Defendant Microsemi
19 Corporation, as the sole shareholder of Microsemi Memory and Storage, controls
20 all of the conduct, to include the patent infringement conduct accused of herein, of
21 Microsemi Memory and Storage.

22 **THE ASSERTED PATENT**

23 13. On November 17, 1998, the United States Patent and Trademark
24 Office duly and legally issued United States Patent No. 5,839,108 (“the ’108
25 patent”) entitled “Flash Memory File System In A Handheld Record And Playback
26 Device,” to its named inventors Norbert P. Daberko and Richard K. Davis.
27 Plaintiff e.Digital is the assignee and owner of the entire right, title and interest in
28 and to the ’108 patent and has the right to bring this suit for damages and other

1 relief. A true and correct copy of the '108 patent is attached hereto as Exhibit A.

2 **COUNT ONE**

3 **INFRINGEMENT OF THE '108 PATENT BY DEFENDANT**

4 14. Plaintiff re-alleges and incorporates by reference each of the
5 allegations set forth in paragraphs 1 through 13 above and paragraph 25 below.

6 15. The accused products include but are not limited to Defendants' Flash
7 Memory Storage products including but not limited to its NAND BGA Solid State
8 Drive products, TRRUST-STOR Solid State Drive products, SECURRE-Stor
9 SATA Encrypted Solid State Drive products, and/or NAND Controller products.
10 The primary and substantial purpose of the accused products is to write to and
11 store data in electronic format in non-volatile flash memory.

12 16. Defendants have directly and indirectly infringed and is directly and
13 indirectly infringing Claim 1 of the '108 patent in violation of 35 U.S.C. § 271, *et*
14 *seq.*, by making, using, offering for sale, selling in the United States and/or
15 importing into the United States without authority, the accused products identified
16 above. Claim 1 of the '108 patent teaches a method of memory management for a
17 non-volatile storage medium. The method comprises several steps, which generally
18 involves, without limitation, writing electronic data segments from volatile,
19 temporary memory to a non-volatile, long-term storage medium by linking data
20 segments according to a number of specified steps.

21 17. Plaintiff alleges that at least as of the date of the filing of the
22 originally filed complaint in this matter, if not sooner, Defendants knew or should
23 have known of the existence of Claim 1 of the '108 patent and the fact that the
24 accused products infringe said Claim 1.

25 18. Plaintiff alleges that Defendants sold, sell, offer to sell, ship, or
26 otherwise deliver the accused products to customers or end-users with all the
27 features required to infringe Claim 1 of the '108 patent. Upon information and
28 belief, Defendants know that the accused products infringe Claim 1 of the '108

1 patent and intend to induce third parties to include their customers and end-users to
2 also infringe Claim 1 of the '108 patent.

3 19. Upon information and belief, the accused products, alone or in
4 combination with other products, directly or, alternatively, under the doctrine of
5 equivalents practice each of the limitations of independent Claim 1 of the '108
6 patent when they are used for their normal and intended purpose of writing to and
7 storing electronic data on non-volatile memory. Thus, Defendants directly infringe
8 Claim 1 of the '108 patent in violation of 35 U.S.C. § 271(a) when Defendants
9 demonstrate, test or otherwise use the accused products in the United States.

10 20. By way of example, certain website(s), to include but not limited to,
11 Defendant Microsemi Corporation's website, publish the Defendants' datasheets,
12 application notes, and descriptions of the features and functionality of the accused
13 products. Upon information and belief, customers and end-users are provided
14 information in such publications concerning how to use of the accused products in
15 a way that infringes Claim 1. Such conduct evidences Defendants' act of indirect
16 infringement of Claim 1 of the '108 patent.

17 21. Plaintiff also alleges on information and belief that Defendants use,
18 make, sell, offer to sell and/or import the accused products knowing that they will
19 be used by its customers and end-users for writing and storing electronic data to
20 non-volatile memory utilizing the steps described in Claim 1 of the '108 patent.
21 Defendants' make available product literature, datasheets, application notes,
22 informational videos, instructional materials, brochures, and other informational
23 materials that encourage customers to use the accused product(s) in an
24 infringement manner, knowing that the accused products utilize the methods of
25 memory management taught by Claim 1 of the '108 patent and in a manner it
26 knows infringes upon Claim 1 of the '108 patent.

27 22. Defendants also provide instructional and/or informational material
28 that instructs customers and end-users on how to connect the accused products and

1 use them as non-volatile storage devices for electronic data. Among other things,
 2 Defendants' informational materials lay out step-by-step instructions on how to
 3 write data into the memory of the accused products – a process that utilizes the
 4 method disclosed in Claim 1 of the '108 patent and which Defendants know (at the
 5 least as of the filing of the original complaint if not sooner) infringes the method
 6 taught in Claim 1 of the '108 patent. Plaintiff believes that Defendants direct
 7 consumers and end-users to consult and utilize such instructional material.

8 23. As alleged above, incorporated herewith, and based upon information
 9 and belief, Plaintiff alleges that Defendants, without authority, has induced and
 10 continues to induce infringement of the '108 patent in violation of 35 U.S.C. §
 11 271(b) inasmuch as:

- 12 a. The accused products infringe Claim 1 during the normal use of
- 13 the accused products by Defendants' customers and/or end-users;
- 14 b. Defendants have known and have been continuously aware of the
- 15 '108 patent since at least the filing of the original complaint in this
- 16 action, if not sooner;
- 17 c. Defendants have acted in a manner that encourages and continues
- 18 to encourage others to infringe Claim 1 of the '108 patent by,
- 19 among other things, intentionally instructing and/or encouraging
- 20 customers and end-users to use the accused products in a manner
- 21 that Defendants know or should have known would cause them to
- 22 infringe the '108 patent;
- 23 d. Defendants sell, distribute, and supply the accused products to
- 24 customers and end-users with the intent that the products be used
- 25 in an infringing manner;
- 26 e. Defendants provide instructional and/or informational material
- 27 designed to instruct customers and end-users to use the products
- 28 in an infringing manner; and,

f. Defendants advertise, market, and promote the use of the accused products in an infringing manner.

24. As alleged above, incorporated herewith, and based upon information and belief, Plaintiff alleges that Defendants have contributed and continue to contribute to the infringement of Claim 1 of the '108 patent in violation of 35 U.S.C. § 271(c) inasmuch as:

- a. The accused products infringe Claim 1 of the '108 patent during the normal use of the accused products by Defendants' customers and/or end-users;
- b. Defendants have known and has been continuously aware of the '108 patent since at least the filing of the original complaint in this action, if not sooner;
- c. Defendants import into the United States, sell and/or offer to sell within the United States products that (a) practice the method of memory management of Claim 1 of the '108 patent; and, (b) Defendants know that the same constitute material infringing component(s) of the accused products, which were made and/or especially adapted for use in the accused products;
- d. The memory management component(s) and methods of the accused products are not staple articles of commerce suitable for substantial non-infringing use with respect to the '108 patent; and,
- e. Defendants sell, have sold, and/or have supplied the accused products knowing of Plaintiff's '108 patent and knowing that the accused products incorporate Plaintiff's patented method and/or were specially adapted for use in a way which infringes the '108 patent.

25. As alleged above, Plaintiff alleges that Defendants had notice of the '108 patent and knowledge of infringement of Claim 1 of the '108 patent since at

1 least the filing of the original complaint in this matter, if not sooner. Defendants
2 have and continue to sell products that practice the '108 patent after acquiring
3 knowledge of infringement.

4 **PRAYER FOR RELIEF**

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

- 6 1. That Defendants be declared to have infringed the Patent-in-Suit;
- 7 2. That Defendants' officers, agents, servants, employees, and attorneys,
8 and those persons in active concert or participation with them, be preliminarily and
9 permanently enjoined from infringement of the Patent-in-Suit, including but not
10 limited to any making, using, offering for sale, selling, or importing of unlicensed
11 infringing products within and without the United States;
- 12 3. Compensation for all damages caused by Defendants' infringement of
13 the Patent-in-Suit to be determined at trial;
- 14 4. A finding that this case is exceptional and an award of reasonable
15 attorneys fees pursuant to 35 U.S.C. § 285;
- 16 5. Granting Plaintiff pre-and post-judgment interest on its damages,
17 together with all costs and expenses; and,
- 18 6. Awarding such other relief as this Court may deem just and proper.

19 **HANDAL & ASSOCIATES**

20 Dated: May 29, 2015

21 By: /s/Anton N. Handal
22 Anton N. Handal
23 Pamela C. Chalk
24 Gabriel G. Hedrick
25 Attorneys for Plaintiff
26 e.Digital Corporation
27
28

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a trial by jury on all claims.

HANDAL & ASSOCIATES

Dated: May 29, 2015

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

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 29th day of May, 2015 at San Diego, California.

HANDAL & ASSOCIATES

Dated: May 29, 2015

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