

1 ALAN C. CHEN, (SBN 224420)
acchen@zuberlaw.com
2 MEREDITH A. SMITH, (SBN 281120)
msmith@zuberlaw.com
3 HEMING XU, (SBN 302461)
hxu@zuberlaw.com
4 ZUBER LAWLER & DEL DUCA LLP
777 S. Figueroa Street, 37th Floor
5 Los Angeles, California 90017 USA
Telephone: +1 (213) 596-5620
6 Facsimile: +1 (213) 596-5621
7 Attorneys for Plaintiffs SOS Co., Inc. and
Dogtra Co., Ltd.
8

9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11 SOS CO., INC. dba DOGTRA, a
California corporation, DOGTRA CO.,
12 LTD., a Republic of Korea corporation,,

13 Plaintiffs,

14 v.

15 E-COLLAR TECHNOLOGIES, INC.,
an Indiana corporation; C&D MICRO
16 CO., LTD., a Republic of Korea
corporation; HOSUNG SO, aka Ho-
17 Sung So and Mark So, an individual;
GREG VAN CUREN, an individual;
18 and DOES 1-10, inclusive,

19 Defendants.
20
21
22
23
24
25
26
27
28

Case No.: 2:16-cv-9667

COMPLAINT FOR:

- (1) **MISAPPROPRIATION OF
TRADE SECRET;**
- (2) **BREACH OF FIDUCIARY
DUTY;**
- (3) **DEFAMATION;**
- (4) **TRADE LIBEL;**
- (5) **INTENTIONAL INDUCEMENT
TO BREACH A CONTRACT;**
- (6) **INTENTIONAL
INTERFERENCE WITH
CONTRACTUAL RELATIONS;**
- (7) **NEGLIGENT INTERFERENCE
WITH PROSPECTIVE
ECONOMIC ADVANTAGE;**
- (8) **INFRINGEMENT OF THE '908
PATENT**
- (9) **CONSPIRACY; AND**
- (10) **UNFAIR COMPETITION**

[DEMAND FOR JURY TRIAL]

1 Plaintiffs SOS Co., Inc. and Dogtra, Co., Ltd., for their Complaint herein for
2 misappropriation of trade secrets, breach of fiduciary duty, tortious interference with
3 contractual relationships, trade libel, patent infringement, and unfair competition
4 against defendants E-Collar Technologies, Inc., C&D Micro Co., Ltd., Mr. Hosung
5 So, and Mr. Greg Van Curen, allege as follows:

6 **THE PARTIES**

7 1. Plaintiff Dogtra Co., Ltd. (“Dogtra Korea”) is a corporation organized
8 and existing under the laws of the Republic of Korea (“South Korea”), with its
9 principal place of business at 145-3, 715-2 Gojan-Dong, Namdong-Gu, Incheon,
10 South Korea.

11 2. Plaintiff SOS Co., Inc., dba Dogtra (“Dogtra USA”), is a corporation
12 organized and existing under the laws of the state of California, United States, with
13 its principal place of business at 22912 Lockness Avenue, Torrance, California
14 90501. Dogtra USA is a wholly owned subsidiary of Dogtra Korea. (Dogtra USA
15 and Dogtra Korea shall be referred to collectively as “Dogtra”).

16 3. Defendant E-Collar Technologies, Inc. (“ECT”) is a corporation
17 organized and existing under the laws of the state of Indiana, United States. On
18 information and belief, ECT’s principal place of business is currently located at
19 2120 Forrest Park Drive, Garrett, Indiana 46738.

20 4. Defendant C&D Micro Co., Ltd. (“C&D Micro”) is a corporation
21 organized and existing under the laws of South Korea. On information and belief,
22 C&D Micro’s principal place of business is 177, Cheongcheon-dong, Bupyeong-gu,
23 Incheon, South Korea.

24 5. On information and belief, Defendant Hosung So, also known as
25 “Ho-Sung So” and “Mark So,” is a citizen of the United States and resides in or
26 near Torrance, California.

27 6. On information and belief, Defendant Greg Van Curen is a citizen of
28 the United States residing in or near Fremont, Indiana.

1 7. Dogtra is ignorant of the true names or capacities of the defendants
2 sued herein under the fictitious names Does 1 through 10, inclusive. Defendants
3 ECT, C&D Micro, Mark So, Greg Van Curen, and Does 1 through 10 are
4 collectively referred to as “Defendants” in this action.

5 **JURISDICTION AND VENUE**

6 8. This action arises under the patent laws of the United States, 35
7 U.S.C. §§ 271, 281, and 283–285. This Court has jurisdiction pursuant to 28
8 U.S.C. §§ 1331 and 1338(a).

9 9. Defendants, either individually or collectively, offer for sale, market,
10 advertise, sell, use, and/or make the infringing products in this judicial district. The
11 acts and transactions complained of herein were conceived, carried out, made
12 effective, and had effect within the state of California and within this judicial district,
13 among other places.

14 10. Venue is proper in this district under 28 U.S.C. §§ 1391(b)–(d) and
15 1400(b). Defendants have committed unlawful acts in this judicial district.
16 Defendants either reside or have done business in this venue.

17 **FACTS COMMON TO ALL CLAIMS**

18 11. Dogtra Korea develops, manufactures, and distributes high quality
19 electronic training collars for dogs.

20 12. Dogtra Korea was founded as a family business by Mr. Ho Yun So, in
21 Seoul, South Korea in 1984. As the family’s patriarch, Mr. So relied heavily on
22 family members to fulfill various management and mission-critical work for the
23 company.

24 13. In 1995, following a decade of hard work and success, Dogtra Korea
25 expanded its operations by forming Dogtra USA in Fountain Valley, California.
26 Dogtra USA is a subsidiary of Dogtra Korea (collectively, “Dogtra”).

27 14. In 1999, Mr. So hired his brother, Mark So, to work at Dogtra Korea as
28 its corporate vice president. In that capacity, Mark So was responsible for assisting

1 with the development and marketing of products intended for distribution in the
2 United States. The distribution network included nationwide retailers and a large
3 number of small businesses throughout the United States that sold outdoor, hunting,
4 and pet products.

5 15. Mark So was privy to—and often in charge of—Dogtra’s confidential
6 and proprietary information, including all aspects of product development,
7 manufacturing, export, import, marketing, and customer service, involving a wide
8 range of technologies used in Dogtra Korea’s products.

9 16. In 2003, Mark So joined Dogtra USA as vice president of sales and
10 marketing without formally relinquishing his position and influence at Dogtra Korea.
11 With the combined work experience as a high-level officer at both Dogtra Korea
12 and Dogtra USA, Mark So acquired knowledge of the most confidential and trade-
13 sensitive details of Dogtra’s research and development, product and marketing plans,
14 sales operations, management structure, risk management policies, intellectual
15 property maintenance, development and enforcement issues, and integration of the
16 intellectual property in Dogtra’s product lines, supply chain, and distribution
17 network.

18 17. Mark So’s management role at Dogtra provided him with a platform for
19 receiving direct feedback from retailers and end users to guide the company’s
20 research and development of new products. In addition, Mark So’s familiarity with
21 the supply chain, including vendors for product manuals, packaging, components,
22 and factories for physical manufacture of Dogtra’s prototypes and final products,
23 allowed Mark So to shortcut the development and production process for new
24 products.

25 18. Mark So’s powerful position within Dogtra also placed him in the
26 unique position of being able to explore and exploit new business opportunities that
27 come across Dogtra’s path. Such business opportunities included, without limitation,
28 advancement of prospective business partners or collaborators for developing and

1 marketing new products, expansion of the network of customers within Dogtra's
2 existing distribution channels, recruitment of talents and affiliates outside of Dogtra,
3 and creation of new inventions for products in the pet collar industry.

4 19. In addition, and as a direct result of Mark So's management experience
5 at Dogtra, he has an intimate knowledge and understanding of Dogtra's intellectual
6 property portfolio, including the patent-in-suit. As discussed further hereinafter,
7 Mark So was able to utilize that understanding to fine tune and develop other patents
8 for the dog collar industry during and immediately following his employment at
9 Dogtra. These were new opportunities that should have been developed or accrued
10 to the benefit Dogtra. However, Mark So usurped all those opportunities for himself
11 in breach of his fiduciary obligations to Dogtra.

12 20. It was Mark So's customary practice to maintain a complete set of
13 catalogs, marketing materials, product samples, and customer profiles and contact
14 information in his private office at his residence in the United States. In addition,
15 Mark So used company-issued telephones, facsimiles, and other electronic devices
16 for communication with customers, suppliers and co-workers.

17 21. Over time and without knowledge of the company's founder, Mark So
18 became so influential within the company that he began to abuse his authority by
19 blurring the line between personal and professional affairs. In both the United States
20 and South Korea, Mark So frequently used employees to help run personal errands
21 unrelated to work. The errands included—by way of example only—demeaning
22 work such as organizing and cleaning Mark So's personal residence, recording
23 Korean television shows and mailing them to the United States for Mark So's
24 personal viewing pleasure, and assembling stereo equipment and furniture for
25 Mark's house. In addition, Mark So used corporate funds to pay for personal
26 entertainment, meals, and excesses such as cigarettes and alcohol.

27 22. On information and belief, Mark So also frequently took advantage of
28 his position by selling products and samples off the books while pocketing the

1 money without reimbursing Dogtra.

2 23. On information and belief, Mark So eventually began representing
3 himself as president of Dogtra USA to people outside of the company. Within the
4 company, Mark So further abused his position by frequently using offensive and
5 demeaning language and yelling at Dogtra's employees.

6 24. In or about early 2009, after Dogtra's founder became terminally ill, he
7 mandated that Mark So facilitate transfer of management responsibilities from the
8 older generation within the family to the younger generation, many of whom have
9 been working within the company. In accordance with the patriarch's wish, in or
10 about April 2009, Mark So's position was changed from Dogtra USA's vice-
11 president to "advisor" to make way for the transition. Mark So's main responsibility
12 in this consulting capacity was to advise and assist the next generation of officers to
13 learn and take over management of Dogtra and to ensure a smooth transition so that
14 the company would be on sound footing after the older generation moves on.

15 25. Mark So's employment with Dogtra formally ended on or about
16 December 31, 2010. During those 20 months, Dogtra continued to compensate Mark
17 So for his role as an advisor even though Mark So traveled frequently between
18 South Korea and the United States and only showed up occasionally in either office.

19 26. Dogtra entrusted Mark So with all of the company's confidential trade
20 secrets because of the innate trust between the family members. However, Mark So
21 betrayed the company and the family, using for his own benefit Dogtra's
22 confidential and proprietary information when the family needed him the most
23 during the transition.

24 27. On information and belief, Mark So was upset that he was not chosen
25 by Dogtra's founder to assume control of Dogtra, and that he was instructed instead
26 with helping a younger generation assume managerial responsibilities. Mark So
27 used the transition period to plot the creation of multiple new companies in the
28 United States and in South Korea to compete against Dogtra. As discussed further

1 hereinafter, those new companies overlapped with Dogtra's supply chain and
2 distribution channel, and competed directly against Dogtra from the very first day
3 the new companies' products hit the market. With assistance from his new business
4 partners, *Mark So conspired to create electronic dog collars that would compete*
5 *with Dogtra's products while still an officer and an employee at Dogtra*, using
6 technology, inventions, and marketing and sales channels, with which he was
7 intimately familiar.

8 28. As a part of Defendants' scheme to take advantage of and compete
9 against Dogtra, Mark So orchestrated the development of a prototype electronic
10 training collar for Defendants. On information and belief, while still employed at
11 Dogtra, Mark So worked with two ex-Dogtra engineers, lured at least one or more
12 engineers away from Dogtra, used the resources of a separate company Daehan
13 Jeonja ("Daehan"), and developed a prototype electronic collar by Summer of 2010.
14 Mark So specifically assisted and advised on the technical features, production
15 process, and field testing of the prototype collar that was designed specifically for
16 the U.S. market.

17 29. On information and belief, while still employed at Dogtra, Mark So and
18 Greg Van Curen discussed plans to form a competing venture against Dogtra. On
19 information and belief, Greg Van Curen had the connections to assist with Mark
20 So's plans to import, market, and sell Mark So's new products in the United States.

21 30. In Spring 2011, Mark So and Greg Van Curen formed two new
22 companies to further carryout their scheme against Dogtra and to maintain the
23 fiction of separation between all Defendants. In South Korea, they formed C&D
24 Micro and, in the United States, they formed ECT. On information and belief, C&D
25 Micro develops, manufactures, and supplies electronic dog training collars to ECT,
26 while ECT serves as the new products' marketing, sales, and customer service arm
27 in the United States. ECT does business, among other methods, through its current
28 website (www.ecollar.com).

1 31. On information and belief, by Fall 2011, Defendants developed and
2 manufactured a new line of electronic dog training collars which directly competed
3 with the products of Dogtra. Defendants began to market and sell the competing
4 products on or about September 2011. The products were made available for sale
5 through ECT's website and through its distribution channels in the United States,
6 which consisted of retail stores specializing in outdoor, hunting, pet, and related
7 stores.

8 32. On information and belief, Defendants utilized Dogtra's confidential
9 trade secrets to develop a functioning prototype through Daehan, obtain component
10 suppliers, commence the production process, secure distribution channels across the
11 Pacific Ocean, and ultimately brought competing products to market in the United
12 States, *all within nine short months after Mark So left Dogtra. The short ramp-up*
13 *period to bring the competing products to market would not have been possible*
14 *without the competitive advantages or trade secrets that Mark So misappropriated*
15 *from Dogtra and shared with his group of co-conspirators.*

16 33. On information and belief, after Defendants developed and
17 manufactured its first generation of products, they terminated the ex-Dogtra
18 engineers at different times over the following years.

19 34. Dogtra learned and confirmed Daehan and the former engineers' roles
20 in Defendants' scheme in or about 2016, when Dogtra met and discussed the matter
21 with representatives of Daehan and the former employees.

22 35. Collectively, Defendants conspired to manufacture, import, and sell
23 electronic dog training collars that infringe Dogtra's patents, including, without
24 limitation, the '908 patent. Defendants have shown no remorse for their theft and
25 continued misuse of Dogtra's property. Defendants conspire to injure Dogtra's
26 business out of malice.

27 36. On information and belief, Mark So and Greg Van Curen jointly own
28 and operate C&D Micro and ECT, or serve as directors and/or officers for both

1 corporations. In so doing, the individual defendants operate their businesses by
2 sharing recourses, including business locations and employees, such as the former
3 engineers of Dogtra that Defendants hired and moved from Daehan to C&D.

4 37. On further information and belief, the individual defendants have
5 comingled the corporate defendants' funds with their own personal funds and/or
6 funds of other businesses.

7 38. Dogtra is informed and believes, and upon such information and belief,
8 alleges that each of individual defendants named herein were at all times mentioned
9 herein an owner, co-owner, agent, representative, partner, and/or alter ego of their
10 co-Defendants, or otherwise acting on behalf of each and every remaining
11 Defendant, and in doing the things hereinafter alleged, were acting within the course
12 and scope of their authorities as an owner, co-owner, agent, representative, partner,
13 and/or alter ego of their co-Defendants, with the full knowledge, permission, and
14 consent of each and every remaining Defendant, each co-Defendant having ratified
15 the acts of the other Defendants.

16 39. On information and belief, the individual defendants are, and at all
17 times mentioned herein were, controlled, dominated, and operated by Mark So and
18 Greg Van Curen as their individual business and alter ego, such there is a unity of
19 interest and ownership between C&D Micro and ECT, on the one hand, and each of
20 Mark So and Greg Van Curen, on the other hand, and the individuality and
21 separateness of corporate defendants have ceased.

22 40. On information and belief, each of the Defendants were acting in
23 concert with and in conspiracy with each and every one of the remaining Defendants.

24 41. By virtue of all of the foregoing, adherence to the fiction of the separate
25 corporate existence of C&D Micro and ECT would, under the circumstances, permit
26 abuse of the corporate privilege and would sanction a fraud in that the individual
27 Defendants caused funds from the corporations to be withdrawn or depleted without
28 any consideration to the corporations, all for the purpose of avoiding and preventing

1 attachment and execution by its creditors, including Dogtra, and produce an
2 inequitable result because, among other reasons, Dogtra would be unable to realize
3 upon any judgment in its favor.

4 42. On information and belief, Defendants operate an on-line journal
5 concerning dog collars entitled “E-Collar – Greg Van Curen”
6 (<https://gregvancuren.wordpress.com/>). This on-line journal contains at least six
7 hyperlinks that lead directly to various pages on www.ecollar.com. The six
8 hyperlinks leading directly to various pages on www.ecollar.com are entitled
9 “Ecollar.com”, “All Products”, “Dog Training Collars”, “Hunting Training Collars”,
10 “FAQ”, and “Contact.”

11 43. On information and belief, in 2013, Defendants published an article in
12 the “E-Collar – Greg Van Curen” journal. This article contained false and
13 defamatory statements that harmed Dogtra’s business and reputation, as well as
14 false statements disparaging Dogtra’s products. The article falsely asserted and
15 suggested that Dogtra is a Chinese company, that it created inferior quality collars
16 that risked the well-being of pets, and that Dogtra supported the abuse of household
17 pets.

18 44. On information and belief, Defendants published the aforesaid article
19 with the malicious intent of harming Dogtra’s business and with the purpose of
20 funneling Dogtra’s existing and prospective customers toward Defendants. The
21 publication remains on the blog and continues to contain false and defamatory
22 statements.

23 **FIRST CAUSE OF ACTION**

24 **MISAPPROPRIATION OF TRADE SECRETS**

25 **(California Civil Code §§ 3425 *et seq.*, against all defendants)**

26 45. Dogtra incorporates by reference the allegations of paragraphs above as
27 though fully set forth herein.
28

1 1. At all relevant times herein, Defendant Mark So was an owner, investor,
2 officer, employee, and/or agent of C&D Micro. At all relevant times herein, Mark
3 So was also an owner, investor, officer, employee, and/or agent of ECT.

4 2. At all relevant times herein, Defendant Greg Van Curen was an owner,
5 investor, officer, and/or agent of ECT. At all relevant times herein, Greg Van Curen
6 was also an owner, investor, officer, employee, and/or agent of C&D Micro.

7 3. At all relevant times herein, C&D Micro authorized and had full
8 knowledge of Mark So and Greg Van Curen's conduct. Specifically, C&D Micro
9 knew that Defendants Mark So and Greg Van Curen had provided C&D Micro with
10 information that was misappropriated from Dogtra.

11 4. At all relevant times herein, ECT authorized and had full knowledge of
12 Mark So and Greg Van Curen's conduct. Specifically, ECT knew that Defendants
13 Mark So and Greg Van Curen had provide ECT with information that was
14 misappropriated from Dogtra.

15 **A. Defendant Mark So Was Vice-President of Dogtra and**
16 **Learned Its Trade Secrets**

17 5. From 1999 to December 31, 2010, Mark So was a Vice-President,
18 employee, and/or agent of Dogtra.

19 6. During Mark So's employment with Dogtra, he managed, controlled,
20 had knowledge of and/or had access to Dogtra's confidential and proprietary
21 information (collectively "Dogtra Trade Secrets") including, without limitation, the
22 following:

23 (i) product technology, research and development ("R&D"), testing,
24 and other product development-related information;

25 (ii) component and parts suppliers, manufacturing methods,
26 schedules, specifications, quality control, and other production-related information;

27 (iii) international shipping, import procedures, customs, delivery
28 methods, and other shipping-related information;

1 (iv) distribution, sales, marketing, promotions, trade shows, and other
2 sales-related information;

3 (v) customer service issues, solutions, best-practices, and other after-
4 service related information;

5 (vi) revenue, profits, costs, expenses, losses, financial plans, analysis,
6 and other finance-related information;

7 (vii) strategic plans, schedules, goals, and other planning-related
8 information;

9 (vii) histories and contact information for employees that worked in
10 product development, manufacturing, distribution, sales, marketing, and other areas
11 of Dogtra's business;

12 (viii) histories and contact information for consultants and dog trainers
13 who worked with Dogtra;

14 (ix) histories and contact information for individuals and companies
15 related to Dogtra's R&D, manufacturing, and shipping; and

16 (x) histories and contact information for individuals and companies
17 related to Dogtra's sales, distribution, and marketing including customer lists and
18 contacts.

19 7. Defendant Mark So was involved in Dogtra's manufacture, importation,
20 distribution, sale, marketing, promotion, and/or customer service of products
21 containing technology disclosed in the '908 patent. Said products were sold in this
22 District and elsewhere.

23 8. In or about April 2009, Defendant Mark So changed his position at
24 Dogtra from Vice-President to Advisor. Mark So's main responsibility as Advisor
25 was to advise and assist the next generation of the family takeover management of
26 Dogtra Korea and Dogtra USA respectively.

27 9. Defendant Mark So ceased to be an employee of Dogtra on December
28 31, 2010.

B. While Still Employed at Dogtra, Defendant Mark So Shared Dogtra Trade Secrets And Developed a Prototype Electronic Training Collar with Another Company

10. On information and belief, in Summer 2009 while still employed at Dogtra, Defendant Mark So began work with Daehan Jeonja, also known as Trans One, a corporation located in South Korea.

11. On information and belief, in Summer 2009, Mark So met with Daehan about developing and selling electronic dog training collars on behalf of Daehan. Before 2009, Daehan had not previously produced or sold electronic trainings collars.

12. On information and belief, after meeting with Daehan, Defendant Mark So, in conjunction with other Defendants, including Greg Van Curen, assisted Daehan develop its first prototype of an electronic training collar for dogs (“Prototype Collar”). Among other things, Defendants, through Mark So, advised Daehan on certain design features and technical specifications of the Prototype Collar; Mark So managed field tests of said collar; Mark So and Greg Van Curen advised Daehan on sales and distribution channels for said collar in the United States; and Mark So and Greg Van Curen promised to market and sell said collar in the United States for Daehan.

13. On information and belief, Defendants, including Mark So, carried out the aforementioned work by utilizing Dogtra’s Trade Secrets and sharing said secrets with individuals at Daehan including, without limitation, the confidential and proprietary information, methods, designs, and technology disclosed in the ’908 patent.

14. On information and belief, two Dogtra engineers ceased employment at Dogtra in or about July 2009 and started work at Daehan with Mark So. Both Dogtra engineers previously worked with Mark So in developing electronic dog training collars at Dogtra.

1 15. On information and belief, Daehan spent considerable time and money
2 developing the Prototype Collar. On information and belief, Daehan would not have
3 undertaken the considerable task of developing the Prototype Collar (i) without
4 Mark So advice and assistance on the design and technical features of said collar,
5 and (ii) without Mark So and Greg Van Curen's representations that he would
6 utilize the information, contacts and other Dogtra Trade Secrets he possessed to sell,
7 distribute, and market the Prototype Collar in the United States.

8 16. On information and belief, in Fall or Winter 2010, Defendant Mark So
9 took the Prototype Collar to the United States as a sample to show potential
10 wholesale customers, to show dog trainers who could act as potential product
11 promoters, and to show other potential business partners or investors.

12 **C. While Still Employed at Dogtra, Mark So Schemed with**
13 **Greg Van Curen To Establish C&D Micro and E-Collar**
14 **Technologies To Directly Compete with Dogtra**

15 17. On information and belief, during the same trip in Fall or Winter 2010,
16 Mark So showed Greg Van Curen the Prototype Collar.

17 18. On information and belief, after seeing the Prototype Collar,
18 Defendants Mark So and Greg Van Curen further conspired and agreed to produce,
19 distribute, and sell electronic dog training collars for themselves without Daehan.

20 19. On information and belief, Mark So ended his employment with Dogtra
21 on December 31, 2010.

22 20. On information and belief, Mark So stopped working with Daehan in
23 our about the same time.

24 21. On information and belief, Mark So, Greg Van Curen, and/or Does 1-
25 10 established C&D Micro and E-Collar Technologies in April 2011 and May 2011
26 respectively.
27
28

1 22. On information and belief, Defendant C&D Micro was established in
2 South Korea to develop, manufacture, and supply electronic training collars for dogs
3 solely to ECT in the United States.

4 23. On information and belief, Defendant ECT was established in the State
5 of Indiana to market, promote and sell electronic training collars for dogs in the
6 United States, with products supplied solely by C&D Micro.

7 24. The above businesses of C&D Micro and ECT directly compete with
8 Dogtra's business of electronic training collars for dogs.

9 **D. Defendants Utilized Dogtra's Stolen Trade Secrets and Ex-**
10 **Dogtra Employees To Develop, Manufacture, and Supply**
11 **Electronic Training Collars for Sale by ECT in the U.S.**

12 25. On information and belief, Defendants utilized certain stolen Dogtra
13 Trade Secrets to develop, manufacture, and supply electric training collars for sale
14 by ECT in the United States including this jurisdiction. Said Dogtra Secrets include,
15 without limitation:

16 (i) Dogtra's product technology, research and development, testing,
17 and other product development-related information including, but not limited to,
18 those related to the '908 patent;

19 (ii) Dogtra's component and parts suppliers, manufacturing methods,
20 schedules, specifications, schedules, quality control, and other production-related
21 information; and

22 (iii) Dogtra's international shipping, export-import procedures,
23 customs, delivery methods, and other shipping-related information.

24 26. On information and belief, in Winter 2010, Defendant Mark So
25 approached the two ex-Dogtra employees who worked with Mark So at Daehan
26 Jeonja to leave said company and work for the soon-to-be-established C&D Micro.
27
28

1 27. On information and belief, in or about the same time period, Defendant
2 Mark So and/or his agents also approached at least one or more existing Dogtra
3 engineers to leave Dogtra and work for C&D Micro.

4 28. On information and belief, in or about March 2011, the above former
5 Dogtra Engineers (collectively “Ex-Dogtra Engineers”) started work for C&D
6 Micro, one month prior to said C&D Micro’s formal incorporation.

7 29. The Ex-Dogtra Engineers previously worked in product development at
8 Dogtra.

9 30. On information and belief, utilizing the above Dogtra Trade Secrets and
10 the Ex-Dogtra Engineers, Defendants developed and manufactured a new line of
11 electronic training collars for dogs.

12 31. On information and belief, Defendants were able to develop and
13 manufacture said electronic training collars at less cost and in less time than normal
14 for a new business venture because Defendants utilized Dogtra Trade Secrets and
15 the ex-Dogtra Engineers.

16 32. On information and belief, Defendants began supplying said electronic
17 training collars to ECT (“Misappropriated Products”) by Fall 2011.

18 33. Dogtra never authorized Defendants’ use of the above Dogtra Trade
19 Secrets in any manner.

20 **E. Defendants Marketed, Promoted, and Sold the**
21 **Misappropriated Products in the United States.**

22 34. On information and belief, Defendants Greg Van Curen and ECT
23 received the Misappropriated Products from Defendants Mark So and C&D Micro
24 and utilized certain stolen Dogtra Trade Secrets to market, promote, and sell the
25 Misappropriated Products in the United States including this jurisdiction. Said
26 Dogtra Trade Secret include, without limitation:

27 (i) Dogtra’s international shipping, export-import procedures,
28 customs, delivery methods, and other shipping-related information;

1 (ii) Dogtra's distribution, sales, marketing, promotions, trade shows,
2 and other sales-related information; and

3 (iii) Dogtra's customer service issues, solutions, best-practices, and
4 other after-service related information.

5 35. On information and belief, Defendants marketed, promoted, and/or sold
6 the Misappropriated Products beginning in our about September 2011.

7 36. On information and belief, Defendants were able to market, promote,
8 and sell the Misappropriated Products at less cost and in less time than normal for a
9 new business venture because Defendants utilized Dogtra Trade Secrets.

10 37. Dogtra never authorized Defendants' use of the above Dogtra Trade
11 Secrets in any manner.

12 **F. Defendants Utilized Other Stolen Dogtra Trade Secrets To**
13 **Gain a Competitive Advantage Over Dogtra**

14 38. On information and belief, Defendants utilized other stolen Dogtra
15 Trade Secrets to gain a competitive advantage over Dogtra. These other Dogtra
16 Trade Secrets include, without limitation:

17 (i) Dogtra's revenue, profits, costs, expenses, losses, financial plans,
18 analysis, and other finance-related information;

19 (ii) Dogtra's strategic plans, schedules, goals, and other planning-
20 related information;

21 (iii) the histories and contact information for employees that worked
22 in product development, manufacturing, distribution, sales, marketing, and other
23 areas of Dogtra's business;

24 (iv) the histories and contact information for consultants and dog
25 trainers who worked with Dogtra;

26 (v) the histories and contact information for individuals and
27 companies related to Dogtra's R&D, manufacturing, and shipping; and

28 (vi) the histories and contact information for individuals and

1 companies related to Dogtra's marketing, promotion, and sales including customer
2 lists and contacts.

3 39. On information and belief, Defendants were able to develop,
4 manufacture, export-import, market, promote, and sell the Misappropriated Products
5 at less cost and in far less time than normal for a new business venture because
6 Defendants utilized the above Dogtra Trade Secrets.

7 40. Dogtra never authorized said Defendants use of the above Dogtra Trade
8 Secrets in any manner.

9 **G. The Dogtra Trade Secrets Were Confidential, Proprietary,**
10 **and Not Available to Dogtra's Competitors Nor the General**
11 **Public.**

12 41. At all times relevant herein, Dogtra derived independent economic
13 value from the Dogtra Trade Secrets, and said Trade Secrets was not known by
14 Dogtra's competitors nor the general public.

15 42. At all times relevant herein, Dogtra exercised reasonable care in
16 maintaining the confidentiality and propriety of the Dogtra Trade Secrets. Dogtra
17 shared said Trade Secrets only with known and trusted employees, officers, and/or
18 agents of the company. Furthermore, access to the Dogtra Trade Secrets was strictly
19 limited to a need-to-know basis.

20 43. The Dogtra Trade Secrets, therefore, constitute trade secrets protectable
21 under California Civil Code §§ 3426 et seq.

22 **H. Dogtra Was Damaged by the Misappropriation of the Dogtra**
23 **Trade Secrets by Defendants**

24 44. On information and belief, Defendants maliciously schemed to obtain
25 the Dogtra Trade Secrets and utilized said Trade Secrets, as described above, to
26 establish new business ventures and to sell electronic training collars unfairly and in
27 direct competition with Dogtra.
28

45. But for Defendants' improper and unfair conduct, Defendants would not have been able to obtain and utilize the Dogtra Trade Secrets.

46. On information and belief, Defendants misappropriated the Dogtra Trade Secrets by disclosing said Trade Secrets to others and/or by utilizing said trade secrets in furtherance of their business ventures without Dogtra's express or implied consent.

47. On information and belief, Defendants and/or Does 1-10 knew, or had reason to know, that information provided by Mark So included trade secrets that had been misappropriated from Dogtra.

48. Defendants and Does 1-10 are liable for their own actions as well as for one another's actions under, among other doctrines, the doctrine of *respondeat superior*.

49. As a consequence of the misappropriation of the Dogtra Trade Secrets by Defendants and/or Does 1-10, Dogtra has been damaged in an amount according to proof.

SECOND CAUSE OF ACTION

BREACH OF FIDUCIARY DUTY

(Against Defendant Mark So)

46. Dogtra incorporates by reference each and every allegation contained in the paragraphs above as though fully set forth here.

47. At all relevant times herein, Mark So was employed as a vice president or other officers of Dogtra and therefore owed fiduciary duties to Dogtra.

48. Mark So breached his duty of loyalty to Dogtra when he usurped corporate opportunities, engaged in interested transactions to directly compete against Dogtra, and breached confidentiality relating to Dogtra's trade-sensitive and confidential business information.

49. On information and belief, Mark So acted, or was supposed to act, on behalf of Dogtra in a wide range of capacities. Said capacities included, without

1 limitation, planning, management, coordination, and other decision-making
2 responsibilities relating to product development, manufacturing, distribution, sales,
3 marketing, advertising, and customer service for Dogtra and its products.

4 50. On information and belief, Mark So usurped Dogtra's business
5 opportunities for his own personal and financial gain by failing to disclose potential
6 ventures or business opportunities to Dogtra.

7 51. On information and belief, in or about 2009, Mark So became involved
8 with certain individuals or representatives from one or more third parties, including
9 Daehan and Greg Van Curen, to develop, manufacture, and sell new electronic
10 training collars that may offer competitive advantage in performance, feature or
11 other appeal. Mark So, instead of directing the business opportunity to Dogtra,
12 usurped the opportunity by forming C&D Micro and ECT to compete directly
13 against Dogtra.

14 52. Mark So, collectively with other named Defendants, also usurped
15 Dogtra's business opportunities by filing, individually or jointly with other
16 Defendants, patent applications based on the technology and expertise he gained
17 through years of employment with Dogtra. Mark So filed no fewer than 5 patent
18 applications within one year of his departure from Dogtra, including one that was
19 filed while still employed by Dogtra, entitled "Remote Animal Training System
20 Using Voltage-To-Frequency Conversion." The patents all relate to technology used
21 in electronic dog collars. Mark So's conduct deprived Dogtra of opportunities to
22 develop into the relevant state of the art covered by those patent applications.

23 53. On information and belief, Mark So also breached his duty of loyalty
24 by engaging in interested transactions against Dogtra. Such interested transactions
25 include but are not limited forming new corporations to create products to directly
26 compete against Dogtra, misuse of corporate resources for personal affairs, and use
27 of his time during his employment at Dogtra to develop products for and with Greg
28 Van Curen, Daehan, C&D Micro and ECT.

1 54. On information and belief, Mark So actively conducted, managed and
2 assisted such third parties in creating and testing prototype training collars during
3 Mark So's employment at Dogtra.

4 55. On information and belief, Mark So, while serving as a high-level
5 officer of Dogtra, active recruited current and past employees of Dogtra to work for
6 Defendants.

7 56. On information and belief, Mark So used Dogtra's resources and
8 contacts to conduct field testing of the new products for Defendants—all without
9 disclosure to Dogtra.

10 57. On information and belief and as discussed in the foregoing sections of
11 the Complaint, Mark So frequently used Dogtra employees to run his personal
12 errands, thereby depriving Dogtra of resources needed for actual work in the
13 company's best interest.

14 58. Dogtra did not consent to any of the above conduct or to any activities
15 of Mark So. Dogtra was not aware of Mark So's misconduct until after Mark So
16 had left Dogtra to form C&D and ECT.

17 59. As a result of the above breaches of fiduciary duty, Dogtra has been
18 damaged in an amount according to proof. Dogtra was harmed, and the conduct and
19 activities of Mark So was a substantial factor in causing said harm to Dogtra.

20 60. Dogtra is entitled to punitive damages because Defendants' actions in
21 breaching their fiduciary duties were carried out maliciously, with the intent to harm
22 Dogtra, and without regard to the rights of Dogtra. Mark So in particular harbored
23 ill will and malice toward Dogtra because he believed that he was unfairly denied
24 the opportunity to take control of Dogtra .

25 **THIRD CAUSE OF ACTION**

26 **DEFAMATION**

27 **(Against Defendants Greg Van Curen and ECT)**

28 61. Dogtra incorporates by reference each and every allegation contained in

1 the paragraphs above as though fully set forth here.

2 62. On information and belief, on January 19, 2013, Defendants published
3 in their on-line journal, “E-Collar – Greg Van Curen,” an article entitled “Beware of
4 imported collars” (the “January 19, 2013 Article”). The January 19, 2013 Article is
5 published to readers who are potential buyers of electronic training collars, and thus,
6 the January 19, 2013 Article is published to potential customers of both Dogtra and
7 Defendants.

8 63. The January 19, 2013 Article explicitly and implicitly asserted the
9 following false and defamatory statements: (1) Dogtra’s products place the reader’s
10 “dog’s well-being” at risk and (2) Dogtra’s products are “made in China” such that
11 purchasing Dogtra products supports mistreatment of dogs because people in China
12 consume dogs and cats.

13 64. The January 19, 2013 Article directs the potential customers of
14 electronic training collars to “[s]ee the truth ... by clicking on the 2 [sic] YouTube
15 icons below”, and rhetorically asks “Why would an animal lover buy a pet product
16 made in China?” The YouTube icons hyperlink to: (1) a video purporting to be of
17 an English celebrity consuming dog meat in China; and (2) a video purporting to
18 concern mistreatment of dogs and cats in China.

19 65. The YouTube icons of the January 19, 2013 Article, along with
20 language concerning the hyperlinked videos are reasonably understood as implying
21 that Dogtra is a Chinese company that promotes abuse and consumption of pets,
22 including of dogs.

23 66. Defendants knew that the explicit and implicit false and defamatory
24 statements published in the January 19, 2013 Article were, and are, untrue and/or
25 acted with reckless disregard of the truth or falsity of these statements.

26 67. Defendants maliciously and intentionally published and/or authorized
27 the publication of the provably false and defamatory statements of the January 19,
28 2013 Article, so as to harm Dogtra’s business reputation in the dog collar industry.

1 68. The false and defamatory statements published by Defendants in the
2 January 19, 2013 Article are unprivileged.

3 69. The false statements published by Defendants in the January 19, 2013
4 Article have a natural tendency to injure and are per se defamatory because these
5 statements harm Dogtra's business reputation.

6 70. Dogtra has suffered harm to its business reputation as a result of the
7 provably false and defamatory statements made by Defendants in the January 19,
8 2013 Article.

9 71. Because Defendants' actions to defame Dogtra through the publication
10 of false and defamatory statements were malicious, intentional, and without regard
11 to the rights of Dogtra, Dogtra is entitled to punitive damages.

12 **FOURTH CAUSE OF ACTION**

13 **TRADE LIBEL**

14 **(Against Greg Van Curen and ECT)**

15 72. Dogtra incorporates by reference each and every allegation contained in
16 preceding paragraphs as though fully set forth here.

17 73. The January 19, 2013 Article warned potential customers of electronic
18 training collars to "[b]eware" of "e-collar brands imported from Asia such as ...
19 Dogtra."

20 74. The January 19, 2013 Article explicitly asserted the provably false and
21 defamatory statement that Dogtra's products place the reader's "dog's well-being"
22 at risk.

23 75. The January 19, 2013 Article's aforementioned warning and explicit
24 statement are reasonably understood as implying the provably false and defamatory
25 statement that Dogtra, an Asian company, produces inferior products *vis-à-vis*
26 ECT's products, at least when the two company's respective products are evaluated
27 by the criterion of dog "well-being."

28 76. Defendants knew that the explicit and implicit false and defamatory

1 statements published in the January 19, 2013 Article were, and are, untrue and/or
2 acted with reckless disregard of the truth or falsity of these statements.

3 77. Defendants knew and/or have reasons to know that potential customers
4 of electronic training collars have, and will continue to, rely on the false and
5 defamatory statements published in the January 19, 2013 Article.

6 78. Defendants maliciously and intentionally published and/or authorized
7 the publication of the provably false and defamatory statements of the January 19,
8 2013 Article, so as to disparage the quality of Dogtra's goods.

9 79. The false and defamatory statements published by Defendants in the
10 January 19, 2013 Article are unprivileged.

11 80. The false and defamatory statements published by Defendants in the
12 January 19, 2013 Article have a natural tendency to injure and are per se defamatory
13 because these statements harm Dogtra's business reputation and disparage the
14 quality of Dogtra's goods.

15 81. Dogtra is an established business, and has been an established business
16 since 1984.

17 82. The false statements published by Defendants in the January 19, 2013
18 Article induced existing customers to stop dealing with Dogtra, and induced
19 prospective customers to not deal with Dogtra.

20 83. The false statements published by Defendants in the January 19, 2013
21 Article caused Dogtra to suffer special damages in the form of pecuniary losses.
22 Dogtra has lost both existing and prospective customers as a result of the false and
23 disparaging statements made in the January 19, 2013 Article.

24 84. Following publication of the January 19, 2013 Article, Dogtra's sales
25 revenue increased at neither the same nor anticipated rate. This is a natural and
26 probable result of the publication of the January 19, 2013 Article because the
27 article's disparaging statements induced existing and prospective customers (1) not
28 to deal with Dogtra and to (2) deal with Defendants.

1 confidential information.

2 93. On information and belief, Departed Employees had in fact disclosed
3 and used, without authorization, Dogtra's proprietary and/or confidential
4 information, in breach of their respective Non-Disclosure Provisions.

5 94. On information and belief, the Departed Employees' breaches of their
6 respective Non-Disclosure Provisions were caused by Defendants' unjustified and
7 wrongful conduct.

8 95. Dogtra suffered damages as a result of the Defendants' inducements of
9 breaches of the Non-Disclosure Provisions, including competitive harm, harm to
10 Dogtra's ability to develop new products, and harm to Dogtra's ability to obtain
11 quality components to its products.

12 **SIXTH CAUSE OF ACTION**

13 **INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS**

14 **(Against All Defendants)**

15 96. Dogtra incorporates by reference each and every allegation contained in
16 the paragraphs above as though fully set forth herein.

17 97. Dogtra Korea had valid and enforceable employment contracts with
18 Departed Employees.

19 98. On information and belief, Defendants had knowledge of Dogtra's
20 contractual relations with Departed Employees via Mark So, who is professionally
21 acquainted with Departed Employees via his employment at Dogtra.

22 99. On information and belief, Defendants committed intentional and
23 unjustified acts designed to interfere with or disrupt Dogtra's contractual relations
24 with Departed Employees and ultimately poached these employees from Dogtra.

25 100. On information and belief, Defendants did not simply extend job offers
26 to Departed Employees. Instead, Defendants engaged in unlawful acts with the
27 intent to injure Dogtra's business operations and cause Departed Employees to end
28 their contractual relations with Dogtra.

1 101. On information and belief, the unlawful acts Defendants engaged in to
2 injure Dogtra's business, so as to disrupt or interfere with Dogtra's contractual
3 relations with Departed Employees, include misappropriating, using, and disclosing
4 proprietary and/or confidential information, which was acquired via breach of
5 fiduciary duties, and improperly soliciting Dogtra's clients and suppliers.

6 102. Defendants' conduct had actually interfered with or disrupted Dogtra's
7 contractual employee relations, because Departed Employees left Dogtra Korea to
8 collaborate with Defendants in businesses that availed themselves of Dogtra's
9 proprietary and/or confidential information to directly compete with Dogtra.

10 103. Dogtra suffered damages as a result of Defendants' conduct, including
11 harm resulting from the slowing of Defendants' product development, the expenses
12 incurred in replacing the Departed Employees, and the misappropriation and use of
13 Dogtra's proprietary and/or confidential information.

14 104. On information and belief, even after the Departed Employees left
15 Dogtra Korea, Defendants have continued to engage in unlawful and unjustified
16 conduct, with the intent of poaching Dogtra's employees and interfering with
17 Dogtra's contractual relations with said employees.

18 105. Dogtra had valid and enforceable contracts with various suppliers of
19 components used in manufacturing Dogtra's products.

20 106. On information and belief, Defendants had knowledge of Dogtra's
21 contractual relations with its suppliers via Mark So, who is professionally
22 acquainted with Dogtra's suppliers via his employment at Dogtra.

23 107. On information and belief, Defendants committed intentional and
24 unjustified acts designed to interfere with or disrupt Dogtra's contractual relations
25 with Dogtra's suppliers by encouraging the sharing of Dogtra's proprietary and/or
26 confidential information among the Defendants and Dogtra's suppliers.

27 108. On information and belief, Defendants did not simply contract with
28 Dogtra's suppliers. Instead, Defendants engaged in unlawful acts with the intent to

1 injure Dogtra's business operations and disrupt Dogtra's contractual relations with
2 Dogtra's suppliers.

3 109. On information and belief, the unlawful acts Defendants engaged in to
4 injure Dogtra's business, so as to disrupt or interfere with Dogtra's contractual
5 relations with Dogtra's suppliers, include misappropriating, using, and disclosing
6 Dogtra's proprietary and/or confidential information, such as supplier lists and other
7 intellectual property acquired in breach of fiduciary duties, and improperly
8 soliciting Dogtra's clients and suppliers.

9 110. Defendants' conduct had actually interfered with or disrupted Dogtra's
10 contractual relations with its suppliers because Dogtra's proprietary and/or
11 confidential information was actually being leaked by, and shared among, the
12 Defendants and Dogtra's supplies.

13 111. Dogtra suffered damages as a result of Defendants' conduct, including
14 harm resulting from Dogtra's need to switch suppliers, so as to protect its
15 proprietary and/or confidential information.

16 112. On information and belief, Defendants committed intentional and
17 unjustified acts designed to interfere with or disrupt Dogtra's contractual relations
18 with its customers and ultimately poached these customers from Dogtra.

19 113. Dogtra suffered damages as a result of Defendants' conduct, because of
20 unanticipated disruption in the supply chain costs significant losses in overall
21 productivity.

22 **SEVENTH CAUSE OF ACTION**
23 **INTENTIONAL INTERFERENCE WITH**
24 **PROSPECTIVE ECONOMIC ADVANTAGE**
25 **(Against All Defendants)**

26 114. Dogtra incorporates by reference each and every allegation contained in
27 the paragraphs above as though fully set forth herein.

28 115. Dogtra had valid and enforceable employment contracts with Departed

1 Employees, and therefore had an economic relation with each of the Departed
2 Employees that contained the probability of a future economic benefit.

3 116. On information and belief, Defendants had knowledge of Dogtra's
4 economic relations with Departed Employees via Mark So, who is professionally
5 acquainted with these employees via his employment at Dogtra.

6 117. On information and belief, Defendants committed intentional and
7 unjustified acts designed to interfere with or disrupt Dogtra's economic relations
8 with Departed Employees and ultimately poached these employees from Dogtra.

9 118. On information and belief, Defendants did not simply extend job offers
10 to Departed Employees. Instead, Defendants engaged in unlawful acts with the
11 intent to cripple Dogtra's business operations and disrupt Dogtra's economic
12 relations with Departed Employees.

13 119. On information and belief, the unlawful acts Defendants engaged in to
14 cripple Dogtra's business, so as to disrupt or interfere with Dogtra's economic
15 relations with Departed Employees, include misappropriating, disclosing, and using
16 proprietary and/or confidential information and improperly soliciting Dogtra's
17 clients and suppliers.

18 120. Defendants' conduct had actually interfered with or disrupted Dogtra's
19 economic relations with Departed Employees, because Departed Employees left
20 Dogtra Korea to collaborate with Defendants in businesses that availed themselves
21 of Dogtra's proprietary and/or confidential information to directly compete with
22 Dogtra..

23 121. Dogtra suffered damages as a result of Defendants' conduct, including
24 harm resulting from the slowing of Defendants' product development, the expenses
25 incurred in replacing Departed Employees, and the misappropriation and use of
26 Dogtra's proprietary and/or confidential information.

27 122. Dogtra suffered damages as a result of Defendants' conduct, including
28 harm resulting from Dogtra's need to switch suppliers, so as to protect its

1 proprietary and/or confidential information.

2 123. On information and belief, Defendants continue to engage in unlawful
3 and unjustified conduct, with the intent of interfering with Dogtra's economic
4 relations with its customers.

5 **EIGHTH CAUSE OF ACTION**
6 **NEGLIGENT INTERFERENCE WITH**
7 **PROSPECTIVE ECONOMIC ADVANTAGE**
8 **(Against All Defendants)**

9 124. Dogtra incorporates by reference each and every allegation above as
10 though fully set forth herein.

11 125. A special relationship exists between Dogtra and Defendants because
12 Dogtra was a fiduciary of Mark So, a former high-ranking officer within Dogtra
13 who had access to Dogtra's proprietary and/or confidential information.

14 126. Dogtra had an economic relation with each of the Departed Employees
15 and suppliers who were replaced as a result of Mark So's interference that contained
16 the probability of a future economic benefit.

17 127. On information and belief, Defendants, through Mark So, had
18 knowledge of Dogtra's economic relations with Departed Employees.

19 128. On information and belief, Defendants knew or should have known that
20 if they did not act with due care, their actions would interfere with or disrupt
21 Dogtra's economic relations with Departed Employees and suppliers and cause
22 Dogtra to lose in whole or in part the probable future economic benefit or advantage
23 of those relationships.

24 129. Defendant either actively conspired with or negligently aided and
25 abetted Mark So in luring away the Departed Employees from Dogtra as part of
26 Mark So's plan, in breach his fiduciary duties, to misappropriate Dogtra's
27 proprietary and/or confidential information and usurp business opportunities from
28 Dogtra.

130. Defendants' negligence harmed Dogtra's economic relations with Departed Employees, because Departed Employees left Dogtra Korea to collaborate with Defendants in businesses that availed themselves of Dogtra's proprietary and/or confidential information to directly compete with Dogtra.

131. Dogtra suffered damages as a result of Defendants' negligence, including harm resulting from the slowing of Defendants' product development, the expenses incurred in replacing Departed Employees and various suppliers, and the misappropriation and use of Dogtra's proprietary and/or confidential information.

132. On information and belief, knew or should have known that if they did not act with due care, their actions would interfere with or disrupt Dogtra's economic relations with its suppliers by encouraging the sharing of Dogtra's proprietary and/or confidential information among the Defendants and Dogtra's suppliers.

133. Dogtra suffered damages as a result of Defendants' negligence, because Dogtra was forced to replace the employees and to retain new suppliers at a significant economic loss, such as lost profits and consequential damages.

NINTH CAUSE OF ACTION

INFRINGEMENT OF U.S. PATENT NO. 5,666,908

(Pursuant to 35 U.S.C. § 271, Against All Defendants)

134. Dogtra USA incorporates by reference each and every allegation contained in preceding paragraphs as though fully set forth herein.

135. Dogtra USA is the sole assignee of U.S. Patent No. 5,666,908 ("the '908 patent") and therefore owns the entire right, title, and interest for the '908 patent.

136. The application for the '908 patent was filed on July 5, 1995.

137. The sole inventor of the '908 patent is Ho Yun So ("Inventor So"). The '908 patent was duly issued to Inventor So on September 16, 1997.

138. Inventor So assigned the entire right, title, and interest for the '908

1 patent to Dogtra USA on April 19, 2011.

2 139. On information and belief, Defendants have infringed claims 1 and 6 of
3 the '908 patent by making, using, importing, offering to sell, and selling in the
4 Central District of California (this "District") and elsewhere electronic training
5 collars for dogs utilizing technology, methods, and designs disclosed in the '908
6 patent.

7 140. On information and belief, infringing products include ECT's remotely
8 operated ET-700 electronic training collar (the "ET-700 system"), ECT's remotely
9 operated ET-500 electronic training collar (the "ET-500 system"), and ECT's
10 remotely operated ET-800 electronic training collar (the "ET-800 system"). On
11 information and belief, infringing products also include variants of and successors to
12 these three named products.

13 **(1). Infringement by the ET-700 System**

14 141. ECT offered for sale the ET-700 system through its former website
15 (<http://e-collar.net>). The ET-700 system remained available for purchase from third-
16 party sellers as of December 5, 2015. The system includes, among other things, a
17 remote transmitter, a receiver coupled to a collar, with two protruding electrodes on
18 the receiver.

19 **(2). Infringement of Independent Claim 1**

20 142. On information and belief, each element within claim 1 of the '908
21 patent ("Claim 1") can be matched to at least one component in the ET-700 system.
22 On information and belief, the ET-700 system therefore infringes Claim 1.

23 143. The preamble of Claim 1 defines the invention as a "system for
24 conditioning behavior in an animal using electrical stimulation." The ET-700
25 system fits this description.

26 144. Claim 1 defines the invention as having a "transmitter" and a "collar."
27 The remote control and collar of the ET-700 system respectively fit these
28 descriptions.

1 145. Claim 1 defines the “transmitter” as “having a control switch for
2 selecting a level of electrical stimulation and means for producing radio signals
3 responsive to a power switch, the radio signals including an indication of the
4 selected level of electrical stimulation” (emphasis added).

5 146. The remote control of the ET-700 system (the “ET-700 remote”) has
6 features corresponding to each of these elements, including a dial for selecting
7 different levels of stimulation.

8 147. Claim 1 defines the “collar” as “including electrodes arranged to be
9 brought into proximity to the skin of an animal wearing the collar and a receiver unit
10 coupled to the electrodes for generating electrical stimulation at the electrodes
11 responsive to the radio signals” (emphasis added).

12 148. The collar of the ET-700 system (the “ET-700 collar”) has electrodes
13 on the receiver with features corresponding to each of these elements.

14 149. Claim 1 defines the “receiver unit” as having a “radio signal detection
15 means for detecting the radio signals and determining the indication of the selected
16 level of electrical stimulation from the detected radio signals” (emphasis added).
17 The ET-700 collar has a receiver with features corresponding to each of these
18 elements.

19 150. Claim 1 defines the “receiver unit” as having a “processor coupled to
20 the radio signal detection means and including a control program stored in an
21 associated memory, the control program generating a first train of signal pulses,
22 each pulse of the first pulse train having a pulse width determined by the indication
23 of the selected level of electrical stimulation.” The ET-700 collar has features
24 corresponding to each of these elements.

25 151. An analysis of the circuit design of the ET-700 collar reveals the
26 existence of a processor with memory and “first train of signal pulses.” On
27 information and belief, each pulse in the “first train of signal pulses” has a “pulse
28 width determined by the indication of the selected level of electrical stimulation.”

1 152. Claim 1 defines the “receiver unit” as having a “power amplifying
2 circuit having an input coupled to receive the first train of signal pulses and outputs
3 coupled to the collar electrodes, for producing a second pulse train of amplified
4 signal pulses at the collar electrodes wherein each pulse of the second pulse train has
5 a signal strength determined by the width of a corresponding pulse of the first pulse
6 train.” The ET-700 collar has features corresponding to each of these elements.

7 153. Analysis of the electrical output at the electrodes of the ET-700 collar
8 indicates the existence of a “second pulse train of amplified signal pulses.”

9 154. Analysis of the electrical output at the electrodes of the ET-700 collar
10 indicates that the strength of each pulse within the second train depends on the width
11 of a corresponding pulse in the first train.

12 **(3). Infringement of Independent Claim 6**

13 155. On information and belief, each step in claim 6 of the ’908 patent
14 (“Claim 6”) can be matched to at least an event that occurs during the normal use of
15 the ET-700 system. On information and belief, the ET-700 system therefore
16 infringes Claim 6.

17 156. The preamble of Claim 6 defines the invention as a “method for
18 conditioning the behavior of an animal wearing a radio-receiver collar using an
19 electrical stimulation signal produced by a transmitter.” Use of the ET-700 system
20 fits this description.

21 157. The first step of the method is “programming a processor in the radio
22 receiver collar to generate a first train of signal pulses in which each pulse has a
23 width determined by an indication provided to the processor.” Use of the ET-700
24 system fits this description.

25 158. An analysis of the electrical output at the electrodes of the ET-700
26 collar shows that the collar “generate[s] a first train of signal pulses” when a
27 stimulation is applied. On information and belief, each pulse in the first train has a
28 “width determined by an indication provided to the processor.”

1 159. The second step of the method is “transmitting a control signal to the
2 radio receiver collar including an indication of a level of electrical stimulation.”
3 Use of the ET-700 system fits this description.

4 160. The third step of the method is “responsive to receipt of the control
5 signal, applying the indication of the level of electrical stimulation to the processor
6 to generate a first train of signal pulses having pulse widths determined by the
7 indicated level of electrical stimulation.” Use of the ET-700 system fits this
8 description.

9 161. Analysis of the electrical output at the electrodes of the ET-700 collar
10 shows existence of a “first train of signal pulses.” On information and belief, the
11 width of each pulse within the first train is “determined by the indicated level of
12 electrical stimulation.”

13 162. The fourth step of the method is “coupling the first train of signal
14 pulses to a transformer to generate a second train of signal pulses, wherein the
15 second train of pulses have peak to peak signal levels determined by the pulse
16 widths of the first train of signal pulses.”

17 163. Analysis of the electrical output at the electrodes of the ET-700 collar
18 shows a “first train of signal pulses” and a “second train of signal pulses.” On
19 information and belief, the “peak to peak signal levels” in the second train of signal
20 pulses are “determined by the pulse widths of the first train of signal pulses.” Use
21 of the ET-700 system fits this description.

22 164. The fifth and final step of the method is “applying the second train of
23 signal pulses to skin of the animal at selected times to condition the animals
24 behavior.” Use of the ET-700 system fits this description.

25 165. Analysis of the electrical output at the electrodes of the ET-700 collar
26 shows that the second train of signals has a voltage of several hundred volts [get
27 exact number]. This voltage is applied directly to the skin of the dog wearing the
28 ET-700 collar upon operation of the ET-700 remote. Therefore, the ET-700 collar

1 “appl[ies] the second train of signal pulses to the skin of the animal at selected
2 times.”

3 **(4). Infringement by the ET-500 System**

4 166. ECT produced and sold the remotely operated ET-500 electronic
5 training collar (the “ET-500 system”).

6 167. The ET-500 system was sold on ECT’s former website ([http://e-](http://e-collar.net)
7 collar.net).

8 168. On information and belief, the design and operation of the ET-500
9 system are similar in all substantive respects to that of the ET-700 system.

10 169. On information and belief, the ET-500 system therefore infringes
11 claims 1 and 6 of the ’908 patent.

12 **(5). Infringement by the ET-800 System**

13 170. ECT produced and sold the remotely operated ET-800 electronic
14 training collar (the “ET-800 system”).

15 171. The ET-800 system was sold on ECT’s former website ([http://e-](http://e-collar.net)
16 collar.net).

17 172. On information and belief, the design and operation of the ET-800
18 system are similar in all substantive respects to that of the ET-700 system.

19 173. On information and belief, the ET-800 system therefore infringes
20 claims 1 and 6 of the ’908 patent.

21 **(6). Infringement by Other Products Made by ECT**

22 174. ECT currently offers numerous products that appear to have substantial
23 similarities to the ET-500, ET-700, and ET-800 systems. On information and belief,
24 these products also infringe claims 1 and 6 of the ’908 patent.

25 **TENTH CAUSE OF ACTION**

26 **CONSPIRACY**

27 **(Against All Defendants)**

28 175. Dogtra incorporates by reference each and every allegation contained

1 in paragraphs above as though fully set forth herein.

2 176. On information and belief, Defendants formed and operated a
3 conspiracy to carry out the wrongful acts and omissions described above, including
4 but not limited to the infringement of Dogtra's intellectual property, the
5 misappropriation, disclosure, and use of Dogtra's proprietary and/or confidential
6 information, to otherwise harm the rights and interests of Dogtra, to commit breach
7 of fiduciary duties, and to disrupt or interfere with Dogtra's contractual and
8 economic relations.

9 177. On information and belief, the wrongful acts and omissions described
10 above were, and are being, committed pursuant to the formation and operation of the
11 conspiracy.

12 178. Dogtra suffered damages resulting from the wrongful acts and
13 omissions described above.

14 179. Defendants' wrongful acts and omissions are malicious, intentional,
15 and without regard to the rights of Dogtra as to warrant to punitive damages against
16 Defendants.

17 **ELEVENTH CAUSE OF ACTION**

18 **UNFAIR COMPETITION**

19 **(Cal. Bus. and Prof. Code §§ 17200 *et seq.*, Against All Defendants)**

20 180. Dogtra incorporates by reference each and every allegation contained in
21 the paragraphs above, inclusively, as though fully set forth here.

22 181. The actions of Defendants, whether individually or as agents,
23 representatives, or employees of one another, in breaching their fiduciary duty to
24 Dogtra constitute unfair competition under California Business and Professions
25 Code §§ 17200 *et seq.*

26 **PRAYER FOR RELIEF**

27 WHEREFORE, Plaintiff SOS Co., Inc. dba Dogtra prays for judgment against
28 defendants E-Collar Technologies, Inc., Hosung So, and Does 1–10 inclusive as

1 follows:

2 1. That the '908 patent was valid and enforceable;

3 2. That Defendants infringed the '908 patent;

4 3. That such infringement was willful;

5 4. That Defendants and their subsidiaries, affiliates, parents, successors,
6 assigns, officers, agents, representatives, servants, and employees, and all persons in
7 active concert or participation with them, be preliminarily and permanently enjoined
8 from unlawfully using Dogtra's patent, trade secrets and other confidential
9 information;

10 5. That Defendants be ordered to pay Dogtra damages, including but not
11 limited to disgorgement of Defendants' profits, Dogtra's lost profits caused by
12 Defendant's infringement of the '908 patents;

13 6. That such damages be trebled, together with interest thereon;

14 7. That this case be declared exceptional under 35 U.S.C. § 285 and that
15 Dogtra be awarded its reasonable attorneys' fees and costs;

16 8. That Defendants be ordered to pay Dogtra damages according to proof,
17 including damages to restore Dogtra as nearly as possible to the condition in which
18 he or she would have been without (1) Defendant's defamation and trade libel; and
19 (2) Defendant's interferences with Dogtra's contractual and economic relations;

20 9. That Defendants be ordered to pay Dogtra punitive damages for
21 Defendants' willful and malicious misappropriation, breach of fiduciary duties,
22 defamation, trade libel, and conspiratorial acts;

23 10. That Defendants are jointly and severally liable as co-conspirators for
24 the torts they conspired to commit and committed;

25 11. That Defendants be ordered to pay restitution for unfair competition;

26 12. That Mark So and Greg Van Curen are jointly and severally liable for
27 the debts of C&D Micro and ECT, the individual defendants' alter egos;

28 13. And that Dogtra have such other and further relief as this Court deems

1 just and proper.

2
3 Dated: December 31, 2016

Respectfully submitted,

ZUBER, LAWLER & DEL DUCA LLP

4
5 By: /s/ Alan C. Chen

Alan C. Chen

6 Meredith A. Smith

7 Heming Xu

Attorneys for Plaintiffs

8 SOS Co., Inc. dba Dogtra and

9 Dogtra Co., Ltd.

DEMAND FOR JURY TRIAL

SOS Co., Inc. and Dogtra, Co., Ltd. hereby demands trial by jury of all issues,
which are so triable in this action and on this complaint.

Dated: December 31, 2016

ZUBER, LAWLER & DEL DUCA LLP

By: /s/ Alan C. Chen

Alan C. Chen

Meredith A. Smith

Heming Xu

Attorneys for Plaintiffs

SOS Co., Inc. and Dogtra Co., Ltd.