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|    | Attorneys for Plaintiff  |                                    |
| 7  | IN THE UNITED STATES DISTRICT COURT  |                                    |
| 8  | FOR THE DISTRICT OF ARIZONA  |                                    |
| 9  | W.H. 6 I I II C  | Lar                                |
|    | Williams & Lake LLC,   | No.                                |
| 10 | Plaintiff,   | COMDI AINTAND                      |
| 11 | v.   | COMPLAINTAND<br><u>JURY DEMAND</u> |
| 12 | Ganasis Systams IIC on Arizona limited   |                                    |
|    | Genesis Systems, LLC, an Arizona limited liability company; George Jameson                       | Assigned to:                       |
| 13 | and James Randy Burchett,  | -                                  |
| 14 | Defendants.  |                                    |
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|    | Plaintiff Williams & Lake, L.L.C., by and through its counsel, hereby files its Complaint        |                                    |
| 17 | against Defendants Genesis Systems, LLC, George Jameson and James Randy Burchett. For its        |                                    |
| 18 | Complaint, Plaintiff states the following:   |                                    |
| 19 |  |                                    |
|    | PARTIES AND JURISDICTION   |                                    |
| 20 | 1. Plaintiff Williams & Lake, L.L.C. ("W&L") is a limited liability company                      |                                    |
| 21 | organized under the laws of the State of Arizona with its principal place of business at 2223 W. |                                    |
| 22 | Pecos Road, Suite 2, Chandler, Arizona 85224.  |                                    |
| 23 | 1 ccos Road, Suite 2, Chandier, Arizona 63224.   |                                    |
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- 2. Defendant Genesis Systems, LLC ("Genesis") is a limited liability company organized under the laws of the State of Arizona with its principal place of business at 5137 W. Desert Eagle Circle, Marana, Arizona 85658.
- 3. Defendant George Jameson ("Mr. Jameson") is a citizen of the State of Arizona residing at 5137 W. Desert Eagle Circle, Marana, Arizona 85658.
- Defendant James Randy Burchett ("Mr. Burchett") is a citizen of the State of Arizona residing at 15380 W. Avra Valley Road, Marana, AZ 85653 (Genesis, Mr. Jameson, and Mr. Burchett are collectively referred to herein sometimes as "Defendants").
- 5. This is an action for: (1) declaratory judgment seeking a declaration of invalidity of US Patent 9,238,432 B1 ("Mr. Jameson's Patent") pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, and the Patent Laws of the United States, 35 U.S.C. §§ 100 et seg., as to Genesis and Mr. Jameson; (2) unfair competition in violation of the Lanham Act, 15 U.S.C. § 1051 et seq., namely false advertising under Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), as to all Defendants; (3) violation of Arizona Uniform Trade Secrets Act, §44-401 et. seq., as to all Defendants; (4) breach of duty of loyalty and fiduciary duty under the common law of the state of Arizona as to Mr. Jameson and Mr. Burchett; (5) breach of contract under the laws of the state of Arizona as to Mr. Jameson and Mr. Burchett; (6) unfair competition as to all Defendants under the common law of Arizona and the several states; and (7) intentional interference with prospective economic advantage as to all Defendants under the common law of Arizona and the several states; and for such other relief as the Court deems just and proper.
- 6. This Court has subject matter jurisdiction over W&L's claims under at least the Patent Act, 35 U.S.C. §§ 101, 102, 103, 112, and/or 171, and the Lanham Act, 15 U.S.C. § 1051 et seq. Subject matter jurisdiction is conferred by 28 U.S.C. § 1331 (federal question), 28 U.S.C. § 1338(b) (unfair competition); and 15 U.S.C. § 1121 (Lanham Act). This Court has supplemental jurisdiction over W&L's state law claims pursuant to 28 U.S.C. § 1367. Venue is proper in this District under 28 U.S.C. §§ 1391 and 1400.

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#### STATEMENT OF FACTS

7. The allegations contained in paragraphs 1 through 6 of the Complaint are incorporated and adopted by reference herein.

### A. THE MODULATING BRAKE LIGHT WITH A SECONDARY LOCK-OUT

- 8. In late 2011, W&L began plans to develop, market, and sell a rear-end collision avoidance system for automobiles which would make brake lights more visible to a following driver. W&L developed a modulating brake light circuit that connects to the electrical system of an automobile and causes the automobile's center high mounted stop lamp ("CHMSL") to initially brighten and dim rapidly a certain number of times and then remain illuminated when the brakes are activated. This pulsating light provides an enhanced warning system to a trailing driver that the automobile is slowing or stopping.
- 9. The National Highway Transportation Safety Administration ("NHTSA") concluded in a report issued in 2010 that "90% of all rear-end collisions are avoidable if the driver had one more second of warning." By being more noticeable to following drivers, this modulating brake light circuit when installed on an automobile provides following drivers with critical additional warning time that the automobile is slowing or stopping so as to avoid a rear end collision.
- 10. Although there are similar competing products in the marketplace, they all suffer from the same problem of repeatedly pulsating in stop and go traffic, because the pulsating cycle of the CHMSL is reinitiated each time the driver re-applies the brakes after an initial braking. As a result, in stop and go traffic when the brakes are being applied and released in rapid succession, the CHMSL will constantly pulsate. This repeated pulsating in stop and go traffic materially reduces the effectiveness of the warning system to a trailing driver.
- 11. The modulating brake light circuit marketed by W&L overcomes this problem with a unique and patented feature referred to as a "secondary lock-out." This innovative secondary lock-out feature prevents the CHMSL from flashing if the brakes have been released only momentarily, as in stop-and-go braking. This means that once the brake is applied

triggering the CHMSL to pulsate, and then the brake is released, the pulsating cycle of the CHMSL cannot be activated again during a certain time period after the brake is released, such as five seconds (the "secondary lock-out period"). If the brakes are applied again within that secondary lock-out period, the pulsating cycle of the CHMSL is not activated, and the CHMSL is simply illuminated without pulsating. The pulsating cycle of the CHMSL is activated again only when the brakes are re-applied after the expiration of the secondary lock-out period.

12. This delay function of the secondary lockout feature was a novel and innovative feature that allows the modulating brake light to work far more effectively in stop-and-go traffic by eliminating successive activations of the pulsating CHMSL which would diminish its effectiveness as an attention-getter. In the absence of the secondary lockout, the pulsating light would activate constantly in stop-and-go traffic.

# B. PULSE® POWERED BY SAFETY F1RST $^{TM}$ —A PATENTED MODULATED BRAKE LIGHT CIRCUIT

- 13. W&L is the owner of two patents, discussed below, which cover this unique and innovative modulating brake light circuit with a secondary lock-out feature.
- 14. On December 20, 2001, TransAlert, Inc. ("TransAlert") filed for a patent with the United States Trademark and Patent Office ("PTO") to cover such a device, in an application entitled "Modulated Intensity Flasher for Vehicle Brake Light with Lockout." That application claimed priority to a provisional patent application filed on December 20, 2000. On April 13, 2004 the PTO issued to TransAlert United States Patent No. 6,720,871 ("the '871 Patent").
- 15. Just before issuance of the '871 Patent, on April 9, 2004, TransAlert filed with the PTO a continuation patent application claiming additional aspects of the device and its method of use. On September 13, 2005, the PTO issued to TransAlert United States Patent No. 6,943,677 ("the '677 Patent"), entitled "Modulated Intensity Flasher for Vehicle Brake Light with Lockout."
- 16. The '871 Patent and the '677 Patent, collectively referred to herein sometimes as the "W&L Patents," survived and were strengthened by challenges in litigation and

reexaminations at the PTO, and were subsequently licensed and then assigned to W&L. The W&L Patents are in full force and effect.

- 17. Upon acquiring the rights to the W&L Patents, W&L began to manufacture, market, and sell the patented modulating brake light circuits to automotive dealerships under the later-registered name "SAFETY FIRST BRAKE LIGHT".
- 18. In 2014, W&L learned that a competitor known as Kinetech, LLC was selling a competing modulating brake light product under the name "PULSE®" that infringed the W&L Patents. W&L commenced legal proceedings to enforce the W&L Patents against Kinetech, LLC. As a result of that legal action W&L acquired the PULSE® product and name.
- 19. In May, 2015, W&L merged the two products and began to manufacture, market, and sell to automotive dealerships in Arizona and throughout much of the United States the modulating brake light circuit with a secondary lockout feature under the trade name "PULSE® powered by SAFETY F1RST<sup>TM</sup>".

# C. MR. JAMESON AND MR. BURCHETT AGREED TO MAINTAIN THE CONFIDENTIALITY OF W&L'S CONFIDENTIAL AND PROPRIETARY INFORMATION AND TRADE SECRETS

- 20. In 2013, Mr. Jameson started to work for W&L as a sales representative selling W&L's patented modulating brake light circuit with the secondary lockout feature. Mr. Bradley Dorsey, one of the owners of W&L, had known Mr. Jameson for some period of time prior to his employment by W&L.
- 21. Mr. Dorsey considered Mr. Jameson a friend who he could trust and rely upon not to improperly disclose or use W&L's confidential and proprietary information and trade secrets.
- While working for W&L, Mr. Jameson was told and understood that he would have access to be provided confidential and proprietary technical and business information and trade secrets regarding the development, marketing, and features of the SafetyF1rst<sup>TM</sup> product (and then the *Pulse® powered by SafetyF1rst*<sup>TM</sup> product).
- 23. Mr. Jameson agreed that he would be bound by the duties of confidentiality and non-disclosure with respect to W&L's confidential and proprietary information and trade secrets.

- 24. On March 13, 2013 Mr. Jameson was provided W&L's standard employment agreement for execution along with the business card he would use while working for W&L, true and correct copies of which are appended hereto as **Exhibit No. 1.**
- 25. The employment agreement contained standard provisions reflecting the understanding between W&L and Mr. Jameson of the need and expectation that he would maintain the confidentiality of W&L's confidential and proprietary information and trade secrets, that he would not disclose or otherwise use W&L's confidential and proprietary information and trade secrets except in furtherance of W&L's business, and would not compete with W&L during his employment by W&L and for a period of three years after his employment by W&L.
- 26. At the time Mr. Jameson was hired as a sales representative, he partnered with Randy Burchett ("Mr. Burchett"), another W&L sales representative, for purposes of selling the SAFETY F1RST<sup>TM</sup> product (and then PULSE® powered by SAFETY F1RST<sup>TM</sup> product).
- 27. Mr. Burchett executed an "Independent Sales Representative Agreement" as a condition of being employed and continuing to work for W&L, a true and correct copy of which is appended hereto as **Exhibit No. 2**.
- 28. The Independent Sales Representative Agreement confirmed the importance of confidentiality and non-disclosure with the following requirements:
  - **9. Confidential Information.** All material, information, data and other communications of either party disclosed to or by such party and/or one of more of its parent, subsidiary or affiliated corporations in a manner consistent with its proprietary and confidential nature, and regardless of the form or medium in which such information is disclosed; except for in the event the information was already in the public domain; received independently from a third party free to disclose such information to the receiving party or is disclosed by the receiving party to a third party with the express written permission of the originating party (the "**Confidential Information**").
  - 10. Non-Disclosure. The parties agree that all confidential information of either party is: (i) acknowledged by the receiving party to be of a proprietary nature, and to constitute Trade Secrets of, the originating party; (ii) shall not, without the express written permission of the originating party, be used by the receiving party for any purpose other than those set forth herein; (iii) shall be held by the receiving party in the strictest confidence, and shall be treated by it with the same degree of care to avoid disclosure to any third party as is used with respect to the receiving party's own information of such importance; (iv) is hereby acknowledged by the receiving party to be the sole property of the

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originating party and shall be returned or destroyed at the request of the originating party within 10 days of a written notification of such action; (v) exceptions – the obligations above shall not apply or shall terminate in the event the information was already in the public domain, received independently from a third party free to disclose such information to the receiving party or is disclosed by the receiving party to a third party with the express written permission of the originating party.

- 29. The Independent Sales Representative Agreement also contained the following non-compete provision:
  - Non-Compete. The undersigned Representative hereby agrees that during the term of this Agreement and for a period of three years immediately following the expiration or termination of this Agreement for any reason, whether with our without good cause, at the option of either of the Parties, with or without notice, the Representative will not compete with Williams and Lake, LLC or its successors and assigns, without the prior written consent of Williams and Lake, LLC within the territory which the Representative is representing. Additionally, the Representative agrees that this non-compete means that he will not perform services related to the services he was providing for Williams and Lake, LLC nor will he allow a third party to provide such services, nor serve as a partner, employee, consultant, officer, director, manager, agent, associate, investor, or otherwise for Williams and Lake, LLC's customers or any business in competition with Williams and Lake, LLC or in competition for Williams and Lake, LLC's customers. Finally, for a period of Twenty-Four (24) months after the termination of this Agreement, the Representative will not hire or solicit, induce, recruit or encourage any employees of Williams and Lake, LLC. to leave the company. [Emphasis Added]
- 30. Mr. Jameson advised W&L that he did not need to sign a separate Independent Sales Representative Agreement, because he was in partnership with Mr. Burchett for purposes of selling the SAFETY F1RST<sup>TM</sup> product (and then PULSE® powered by SAFETY F1RST<sup>TM</sup> product).
- Mr. Jameson agreed to be bound by the terms of the Independent Sales 31. Representative Agreement signed by Mr. Burchett by virtue of their partnership.
- 32. Mr. Jameson's stated understanding that he was bound to confidentiality, nondisclosure, and non-competition by the Independent Sales Representative Agreement signed by Mr. Burchett is consistent with paragraph 11 of that Agreement, where it states: *nor will he [Mr.* Burchett] allow a third party to provide such services, nor serve as a partner, employee, consultant, officer, director, manager, agent, associate, investor, or otherwise for Williams

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and Lake, LLC's customers or any business in competition with Williams and Lake, LLC or in competition for Williams and Lake, LLC's customers.

33. In reliance on the Independent Sales Representative Agreement and Mr. Jameson's affirmative representations that he was bound by its duties of confidentiality, nondisclosure, and non-competition via his partnership with Mr. Burchett, W&L continued to employ Mr. Jameson and Mr. Burchett and allowed them access to W&L's proprietary and confidential information and trade secrets.

#### D. W&L'S CONFIDENTIAL AND PROPRIETARY INFORMATION AND TRADE **SECRETS**

- 34. The marketing and sale of the modulating brake light was a new business, and as such, W&L had to learn and develop new business plans, suppliers, strategies, pricing and commission models, legal strategies to address regulatory issues, marketing techniques, customers, customer leads, and customer feedback that enabled it to establish a foothold in the automobile dealership industry, thereby acquiring customers and identifying future business opportunities. The foregoing types of information and other related information are referred to herein as "W&L's Confidential Business Information."
- 35. W&L's Confidential Business Information derived independent economic value, actual and potential, from not being generally known to or readily ascertainable through appropriate means by other persons who might obtain economic value from its disclosure or use, as demonstrated by, for example, W&L's long and expensive learning curve in figuring out how to enter and successfully grow this business.
- 36. W&L took efforts that were reasonable under the circumstances to maintain secrecy of W&L's Confidential Business Information, such as not publicly disclosing such information, communicating the importance of confidentiality to its personnel, and using the Independent Sales Representative Agreement, among other steps.
- 37. W&L was also secretly working on technical improvements to their modulating brake light product. For example, W&L was working on creating a digital version its modulating

brake light product that would include additional functionalities and features made possible by digital circuitry. W&L was also involved in enforcing its patents, and had technical information regarding various types of circuitry and functionality that might be alleged to design-around W&L's patents. These technical ideas, functionalities, features, and related information and data are referred to herein as "W&L's Confidential Technical Information." While these labels are provided for ease of reference, it is understood that in practice there may be overlap between W&L's Confidential Business Information and W&L's Confidential Technical Information.

- 38. W&L's Confidential Technical Information derived independent economic value, actual and potential, from not being generally known to or readily ascertainable through appropriate means by other persons who might obtain economic value from its disclosure or use, as demonstrated by, for example, Defendants' profiting from the theft and exploitation of such information in the marketplace as described herein.
- 39. W&L took efforts that were reasonable under the circumstances to maintain secrecy of W&L's Confidential Technical Information, such as not publicly disclosing such information, communicating the importance of confidentiality to its personnel, and using the Independent Sales Representative Agreement, among other steps.
- 40. The accumulation, development and application of this information, knowledge and experience, collectively, including W&L's Confidential Business Information and W&L's Confidential Technical Information, constituted either trade secrets as defined under Arizona Uniform Trade Secrets Act, §44-401 set. Seq. ("<u>Trade Secrets</u>") or confidential information under state law ("<u>Confidential Information</u>") or both (hereafter collectively "W&L's Confidential Information and Trade Secrets").
- E. DEFENDANTS' DECEPTIVE MISAPPROPRIATION OF W&L'S CONFIDENTIAL INFORMATION AND TRADE SECRETS TO STEAL BUSINESS FROM W&L AND FRAUDULENTLY OBTAIN A PATENT BASED ON W&L'S IDEAS
- 41. During their employment by W&L, Mr. Jameson and Mr. Burchett were privy to W&L's Confidential Information and Trade Secrets.

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- 42. Unbeknownst to W&L, while working for W&L as Mr. Burchett's partner, Mr. Jameson started using W&L's Confidential Information and Trade Secrets to establish a business that would directly compete with W&L.
- 43. As part of his efforts to establish a competing business while working for W&L, Mr. Jameson appropriated W&L's Confidential Information and Trade Secrets to secretly develop a digital version of W&L's modulating brake light that would employ the features and functionalities W&L had already thought of and were actively developing for introduction into the marketplace.
- 44. W&L began working on a digital version of its modulating brake light in the Fall of 2014.
- 45. On December 23, 2014, while working for W&L, Mr. Jameson formed Genesis by filing articles of incorporation with the Arizona Corporation Commission Corporations Division.
- 46. By July 9, 2015, W&L had finalized its list of desired features and functionalities for its digital version of its modulating brake light.
- 47. On August 20, 2015, while Mr. Jameson was still working for W&L, Genesis secretly filed U.S. patent application Serial No. 14/831,537 for an invention allegedly invented solely by Mr. Jameson. Mr. Jameson's alleged invention was—surprise—a digital version of W&L's modulating brake light that included the features and functionalities W&L had been discussing.
- 48. Tellingly, Mr. Jameson, acting as Genesis, took the affirmative step of requesting that his patent application be held secret by filing a Nonpublication Request under 35 U.S.C. § 122(b)(2)(B)(i). By taking this step Mr. Jameson forewent certain patent rights to keep his patent application secret from W&L until it issued. Or if it never issued, it would never be made public, unlike a normal utility patent application that automatically publishes 18 months after filing.

- 49. Not only was Mr. Jameson pursuing his patent application secretly, he was in a hurry. Mr. Jameson paid an extra \$1,000.00 government expedite fee under 37 CFR 1.102(e) to force his patent application through the patent office review process within one year.
- 50. On January 19, 2016, the USPTO issued patent US 9,238,432 B1 to Genesis for Mr. Jameson's claim to a digital version of W&L's product (herein "Mr. Jameson's Patent").
- 51. W&L is informed and believes and based thereon alleges that Mr. Jameson is not educated as an electrical engineer.
- 52. W&L is informed and believes and based thereon alleges that Mr. Jameson is not trained as an electrical engineer.
- 53. W&L is informed and believes and based thereon alleges that Mr. Jameson is not educated in the design of digital electronics.
- 54. W&L is informed and believes and based thereon alleges that Mr. Jameson is not trained in the design of digital electronics.
- 55. Notwithstanding Mr. Jameson's lack of education and knowledge in electrical engineering and design of digital electronics, Mr. Jameson claimed to be the only inventor of his now-patented invention. Specifically, in claim 1 of his patent, Mr. Jameson claimed to have invented, all by himself, the following:

An electrical apparatus, comprising:

- a power supply circuit configured to obtain operating energy from a vehicular braking indicator conductor coupled to the power supply circuit;
- a control circuit coupled to the power supply circuit, the control circuit configured to operate using energy provided by the power supply circuit obtained from the vehicular braking indicator conductor;
- a switching circuit coupled to the control circuit and coupleable to the vehicular braking indicator conductor, the switching circuit configured to modulate an electrical signal of the vehicular braking conductor to provide a modulated vehicular braking indicator output coupleable to a vehicular braking indicator;

wherein the control circuit is configured to control the switching circuit to provide the modulated vehicular braking indicator output including:

upon receiving the electrical signal of the vehicular braking indicator indicative of an initial brake application, modulating one or more of an output current or voltage provided to the modulated vehicular braking indicator output to

vary the apparent intensity of the vehicular braking indicator according to a specified pattern during an initial modulation duration;

monitoring a duration of the initial brake application; and

in response, when the duration of the initial brake application exceeds the initial modulation duration, continuing to modulate one or more of the output current or voltage in a manner suppressing apparent variation in intensity until at least one of a release of brake application indicated by the electrical signal of the vehicular braking indicator or until a specified timeout duration lapses;

in response to monitoring the duration of the initial brake application indicative of continued brake application, and upon lapse of the timeout duration, re-establishing the modulating one or more of an output current or voltage provided to the modulated vehicular braking indicator output to vary the apparent intensity of the vehicular braking indicator according to the specified pattern for another modulation duration corresponding to the initial modulation duration;

initiating a timer upon release of brake application as indicated by monitoring the initial brake application;

detecting re-application of the brake indicated by the electrical signal of the vehicular braking indicator;

comparing a duration, indicated by the timer, between the release of brake application and an instant of re-application of the brake, to a specified threshold duration; and

in response, when the duration between release and re-application of the brake indicated by the electrical signal of the vehicular braking indicator is less than the specified threshold duration, modulating one or more of the output current or voltage in a manner suppressing apparent variation in intensity until at least one of a release of brake application indicated by the electrical signal of the vehicular braking indicator or until the timeout duration lapses.

- 56. In order to be the sole inventor of an invention claimed in a US patent, the named inventor must have him-or-herself conceived of the invention recited in the claims, meaning "[t]he inventor must form a definite and permanent idea of the complete and operable invention to establish conception[,]" according to the Ninth Edition of the USPTO's Manual of Patent Examining Procedure (MPEP), Revision 07.2015, Last Revised in November 2015.
  - 57. Mr. Jameson did not himself conceive of the invention described in his patent.
- 58. Mr. Jameson or person(s) acting on his behalf derived the invention described in his patent from W&L's Confidential and Trade Secret information.
- 59. Mr. Jameson used W&L's Confidential and Trade Secret information that he misappropriated from W&L to prepare and prosecute the patent application that led to his patent.

- 60. As of August 20, 2015 Mr. Jameson had not formed a definite and permanent idea of the complete and operable invention described in the claims of his patent.
  - 61. Mr. Jameson did not invent the invention described in his patent.
  - 62. Mr. Jameson is not the inventor of the invention claimed in his patent.
  - 63. Mr. Jameson is not an inventor of the invention claimed in his patent.
  - 64. The inventorship listed on US 9,238,432 B1 is incorrect.
- 65. The inventorship listed on US 9,238,432 B1 is incorrect due to Mr. Jameson's deceptive intent.
- 66. The USPTO would never have granted Mr. Jameson his patent if Mr. Jameson had disclosed to the USPTO the extent to which Mr. Jameson or those working on his behalf derived the invention described in his patent from W&L's Confidential and Trade Secret information.
- 67. A person of skill in the art would consider the claims in Mr. Jameson's patent anticipated or obvious, and thus unpatentable, in view of W&L's Confidential and Trade Secret information.
- 68. At least Mr. Jameson and Genesis engaged in inequitable conduct before the USPTO in obtaining Mr. Jameson's patent.
- 69. Mr. Jameson and Genesis created a competing knock-off product using W&L's Confidential and Trade Secret information, namely a digital version of W&L's modulating brake light that Genesis markets and sells under the name of "Sure Stop Technology<sup>TM</sup>", also referred to as the "Genesis Brake Light System."
- 70. Mr. Jameson's knock-off product incorporates the features of the PULSE® powered by SAFETY F1RST<sup>TM</sup> product, including the unique secondary lockout.
- 71. In a promotional video on the Genesis webpage as of 3/9/2017, Genesis describes the secondary lockout feature of its product as follows:

If you're on and off the brake in stop-and-go traffic, it will modulate but it will not be visible, so it will appear to function normally as a regular brake light would. This process, or this concept, won't irritate drivers in stop-and-go

traffic but is extremely effective as a rear end collision deterrent, as a counter measure for braking indication.

- 72. Mr. Jameson had his knock-off product designed to have a delay function that would take advantage of a business strategy W&L had developed in order to address certain regulatory issues.
- 73. Mr. Jameson used W&L's Confidential and Trade Secret information to have his knock-off product designed so that it would arguably not infringe W&L's patents.
- 74. In the promotional biography posted on the Genesis website entitled "Our Story," Mr. Jameson admitted that: "All of the people who comprise Genesis Systems are working full time jobs while working to launch Genesis into success." Thus, while working for W&L Mr. Jameson was actively engaged in his scheme to launch and operate Genesis to compete with W&L by exploiting W&L's Confidential and Trade Secret information.
- 75. Defendants' use of W&L's Confidential and Trade Secret information has caused or is likely to cause competitive or commercial injury to W&L by, among other things, giving Defendants an unfair and potentially devastating head-start in the market with a digital product embodying W&L's Confidential and Trade Secret information, and allowing Defendants to fraudulently obtain a US patent on an invention that was improperly derived from W&L's Confidential and Trade Secret information, resulting in diverting existing and potential customers away from W&L to Defendants, reducing demand for and prestige of W&L's product, eroding prices that W&L can charge, tarnishing W&L's reputation, and placing W&L in a false negative light relative to Defendants.
- 76. Defendants' fraudulently obtaining a US patent on an invention that was improperly derived from W&L's Confidential and Trade Secret information damages W&L in the additional and very important way that W&L cannot make, use, sell, offer for sale, or import a product that infringes US 9,238,432 B1, thereby seriously impeding W&L from introducing its own digital version.
- 77. W&L is informed and believes and based thereon alleges that Defendants will continue to improperly exploit W&L's Confidential and Trade Secret information to steal

W&L's customers and potential customers and otherwise unfairly compete with W&L unless

#### F. DEFENDANTS' FALSE ADVERTISING AND UNFAIR COMPETITION

- 78. Mr. Jameson has aggressively marketed himself and his company Genesis and their knock-off modulating brake light circuit as superior to W&L and its modulating brake light circuit by advertising and promoting that Mr. Jameson has invented and patented a digital version that includes features and benefits that in reality Mr. Jameson did not invent, but rather derived from W&L's Confidential and Trade Secret information. These and other statements made in advertising and promotion by Mr. Jameson and Genesis are false or misleading statements of fact (herein collectively "Defendants' False Advertising Statements").
- 79. Defendants have made and repeated their False Advertising Statements in commercial advertisements and promotions in interstate commerce, including on the Internet.
- 80. Defendants' False Advertising Statements deceive or are likely to deceive the public in a material way, including wholesale and retail purchasers of modulating brake light circuits, and other competitors. For example, Defendants' False Advertising Statements deceptively indicate that Defendants are the technology leaders with the latest know-how in the field, when in reality they stole their ideas from W&L. Defendants' False Advertising Statements also deceptively indicate that Mr. Jameson is a knowledgeable and innovative inventor of the patented technology, when in fact he did not invent what is described in his patent.
- 81. Defendants' False Advertising Statements have caused or are likely to cause competitive or commercial injury to W&L by, among other things, diverting existing and potential customers away from W&L to Defendants, reducing demand for and prestige of W&L's product, eroding prices that W&L can charge, tarnishing W&L's reputation, and placing W&L in a false negative light relative to Defendants.
- 82. W&L is informed and believes and based thereon alleges that Defendants will continue to make their False Advertising Statements unless enjoined by this Court.

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#### **COUNT I**

# (Declaratory Judgment as to Mr. Jameson and Genesis that US Patent 9,238,432 B1 is Invalid)

- 83. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 84. This is a count for declaratory judgment seeking a declaration of invalidity of US Patent 9,238,432 B1 ("Mr. Jameson's Patent") pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, and the Patent Laws of the United States, 35 U.S.C. §§ 100 et seq.
- 85. Genesis alleges it is the owner of Mr. Jameson's Patent, which is entitled Customizable Modulator For Vehicular Braking Indication. A true and correct copy of Mr. Jameson's Patent, including its file history, is attached hereto as **Exhibit No. 3.**
- 86. Mr. Jameson and Genesis have made the existence of Mr. Jameson's patent and his alleged invention of the technology described therein the centerpiece of Genesis's marketing efforts to differentiate Genesis from W&L based on the false premise that Mr. Jameson invented the digital version of a modulating brake light.
- 87. For example, as of 3/9/2017 the following narrative, with emphasis added, appears prominently on Genesis's website located at http://surestoptech.com/about/:

#### Our Story

Our story is of humble beginnings in Tucson Arizona. An idea born for safety and developed out of necessity. Genesis Systems was started by an individual who sought the council of many and eventually was granted a patent for his invention. With the advent of the smart phones and the increasing distractions in our daily lives, the need for a rear end collision countermeasure is widely recognized. There are a few other products available for increased braking awareness, but Genesis Sure Stop Technology<sup>TM</sup> is the only truly digital product that is pre-programmed for the retailer. Genesis is the only product available that is designed and made in the USA. The most important feature is that this product continues to protect the occupants of a vehicle after it is stopped, far surpassing any other product on the market. With the vast majority of rear end collisions occurring after the vehicle is stopped it seems like the other guys are missing the boat in achieving comprehensive protection from rear end collision. Utilizing pulse width modulation and a pre-programmed pattern Genesis "Sure Stop Technology" is the best option available.

The United States Patent Office has a program for "Micro Entity" businesses that allows a Micro Entity to take precedence and to have a reduced fee schedule for

patent applications. Genesis Systems LLC has successfully achieved a patent through this new process. After filing a patent application on August 26th, 2015 we at Genesis thought it would be a year or two before we would be granted a patent. Imagine to our surprise when on January 19th, 2016 our patent was issued. The company is in the startup phase with a unique marketing strategy using "Made in USA" as one of our draws. All of the people who comprise Genesis Systems are working full time jobs while working to launch Genesis into success. We all believe in the product and the need for this rear end collision countermeasure.

In the mid 1980's it became mandatory for passenger vehicles to be equipped with a center high mounted stop lamps. At that time we didn't know that an improvement to that mandate would come along. **This idea** and Genesis Systems Sure Stop Technology<sup>TM</sup> **is that improvement**. It is our desire to improve the lives of all the motoring public with a very simple yet extremely effective device. Our device is the most comprehensive protection from rear end collision available. Please help us to make the general public aware that this safety device is available at participating retailers. You can contact us through our website at GenesisBLS.com.

- 88. The inventorship problems with Mr. Jameson's patent are at least two-fold: first, he does not have the technical background to be the sole inventor of what is described and claimed in that patent; and second, he derived the information described and claimed in that patent from secret W&L materials. For these reasons the patent is incurably invalid under 35 U.S.C. § 101.
- 89. There is a substantial controversy between W&L and Genesis over the validity of Mr. Jameson's patent for at least two reasons. First, Mr. Jameson and Genesis are diverting existing and potential customers away from W&L to Defendants, reducing demand for and prestige of W&L's product, eroding prices that W&L can charge, tarnishing W&L's reputation, and placing W&L in a false negative light relative to Defendants, all by touting Mr. Jameson's technological leadership in supposedly inventing and patenting the digital version of a modulating brake light. However, as explained elsewhere herein, that is a lie, because Mr. Jameson did not invent that technology; he derived it from W&L's own secret design for a digital device. But as long as Mr. Jameson's patent exists, W&L has no way to challenge Genesis's marketing with Mr. Jameson's patent and W&L will continue to be damaged by the misperceptions of inventorship created by its continuing existence.

- 90. W&L's plan to compete with Genesis includes continuing with its plan to release W&L's digital modulating brake light circuit. But that creates a second substantial controversy between W&L and Genesis, because W&L has a reasonable apprehension of being sued for infringement by Genesis when W&L launches its digital modulating brake light circuit, since its planned features were the basis for Mr. Jameson's patent application. Alternatively, because of Mr. Jameson's patent, W&L will be limited in the features it can offer in its digital modulating brake light circuit, to the distinct and unfair advantage of Defendants.
- 91. W&L is impeded from moving forward with releasing its digital modulating brake light circuit because of Mr. Jameson's improperly-obtained patent, and in the meantime Genesis is ravaging W&L's business to customers precisely because W&L does not sell a digital modulating brake light circuit to compete with Genesis. In light of these unusual and egregious facts, this controversy is of sufficient immediacy and reality to justify the issuance of a declaratory judgment regarding the parties' respective rights as they relate to Mr. Jameson's patent.
- 92. A judicial declaration is necessary and appropriate so that W&L may continue its commercial activities without fear of Mr. Jameson's Patent, and so that W&L can engage in a corrective advertising marketing campaign to set the record straight and save its business.

### WHEREFORE, W&L prays for judgment as follows:

- A. An Order that US Patent 9,238,432 B1 is invalid.
- B. A finding that Mr. Jameson is not the inventor of US Patent 9,238,432 B1, and that the inventorship listed on the patent is incorrect due to Mr. Jameson's deceptive intent.
- C. A finding that Mr. Jameson derived the invention described in US Patent 9,238,432 B1 from non-public information obtained from W&L.
- D. A finding that Mr. Jameson, acting on behalf of Genesis, obtained US Patent 9,238,432 B1 fraudulently and committed inequitable conduct.
  - E. A finding that the case is exceptional.
  - F. An award of reasonable attorney fees and cost against Genesis Systems, LLC; and

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G. Any additional remedy that the Court deems just and appropriate.

### **COUNT II**

# (False Advertising - Lanham Act §43(a), 15 U.S.C. §1125(a), as to Mr. Jameson and

- 93. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 94. Mr. Jameson and Genesis have made false or misleading statements of fact and used them in commercial advertisements or promotions, including but not limited to assertions that Mr. Jameson invented the digital circuit technology described in US 9,238,432 B1, even though he did not invent it but rather derived it from W&L's Confidential and Trade Secret information.
- 95. The false or misleading statements of fact made by Mr. Jameson and Genesis deceive or are likely to deceive in a material way, including wholesale and retail purchasers of modulating brake light circuits, and other competitors.
- 96. The false or misleading statements of fact made by Mr. Jameson and Genesis in commercial advertisements or promotions have been made in interstate commerce, including on the Internet.
- 97. The false or misleading statements of fact made by Mr. Jameson and Genesis in commercial advertisements or promotions in interstate commerce have caused or are likely to cause competitive or commercial injury to W&L by, among other things, diverting existing and potential customers away from W&L to Defendants, reducing demand for and prestige of W&L's product, eroding prices that W&L can charge, tarnishing W&L's reputation, and placing W&L in a false negative light relative to Defendants.
- 98. W&L has been and is being irreparably damaged by Defendants' conduct, both in terms of direct monetary loss and incalculable and non-monetary damages to W&L's reputation and position in the marketplace for which there is no adequate remedy at law.
- 99. W&L is informed and believes and based thereon alleges that Defendants' false and deceptive advertising will continue unless enjoined by this Court.

### WHEREFORE, W&L demands judgment as follows:

- A. Injunctive relief enjoining Genesis Systems, LLC from continuing to operate and sell its competing modulating brake light and making false or misleading statements;
- B. Entry of a money judgment against Genesis Systems, LLC for damages incurred equal to the profits either obtained by Genesis Systems, LLC, or the lost profits suffered by Williams and Lake, LLC as a result of the business activity of Genesis Systems, LLC.;
- C. Alternatively, if larger, entry of money judgment against Genesis Systems, LLC in an amount equal to a reasonable royalty on the sale of all modulating brake lights by Genesis Systems, LLC;
  - D. An award sufficient for effective corrective advertising and brand rehabilitation.
  - E. An award sufficient for effective customer relationship rebuilding efforts.
  - F. An order that any monetary damages award be trebled.
  - G. A finding that the case is exceptional.
  - H. An award of reasonable attorney fees and cost against Genesis Systems, LLC; and
  - I. Any additional remedy that the Court deems just and appropriate.

#### **COUNT III**

### (Violation of Arizona Uniform Trade Secrets Act, §44-401 et. seq., as to all Defendants)

- 100. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 101. During their employment by W&L, Mr. Jameson and Mr. Burchett had access to and knowledge of W&L's Trade Secrets.
- 102. These Trades Secrets were developed by W&L over time and after investment of substantial resources for purposes of operating a successful business for the manufacturing, marketing, and sale of a modulating brake light to automobile dealerships.
- 103. These Trade Secrets, derived from years of experience and investment of resources in learning how to successfully penetrate the marketplace to sell the modulating brake

lights to automobile dealerships, have independent economic value by not being generally known or readily ascertainable, and were used by the Defendants in launching and operating its competing business.

- 104. W&L took reasonable precautions under the circumstances to maintain the secrecy of these Trade Secrets by requiring its sales agents to sign agreements acknowledging the confidentiality of such information and the requirement not to disclose the Trade Secrets, among other steps.
- 105. The Trade Secrets were otherwise never published, disseminated or made known by W&L to the general public.
- 106. The Trade Secrets were only discussed and disclosed to Mr. Jameson and Mr. Burchett in confidence and with the understanding and reasonable expectation that they would not improperly disclose or use such Trade Secrets to the detriment and competitive harm of W&L.
- 107. Mr. Jameson and Mr. Burchett acquired knowledge of the Trade Secrets under a duty to maintain their secrecy.
- 108. The Trade Secrets were acquired by Mr. Jameson and Mr. Burchett under such circumstances as giving a rise to a duty on their behalf to maintain their secrecy.
- 109. Genesis has misappropriated the Trade Secrets through improper means in that Mr. Jameson and Mr. Burchett have disclosed the Trade Secrets to Genesis, with all Defendants knowing that Mr. Jameson and Mr. Burchett had disclosed such Trade Secrets in breach of their duty to maintain its secrecy.
- 110. Defendants' deceptive conduct in taking advantage of Mr. Jameson's relationship with Mr. Dorsey and employment relationship with W&L to acquire and use the Trade Secrets to plan, launch and operate a competing business was willful and malicious.
- 111. W&L has been and is being irreparably damaged by Defendants' conduct, both in terms of direct monetary loss and incalculable and non-monetary damages to W&L's reputation and position in the marketplace for which there is no adequate remedy at law.

112. W&L is informed and believes and based thereon alleges that Defendants' deceptive conduct in operating a competing business through the improper use of W&L's Trade Secrets will continue unless enjoined by this Court.

### WHEREFORE, W&L demands judgment as follows:

- A. Injunctive relief enjoining Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett from continuing to operate and sell its competing modulating brake light;
- B. Entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally, for damages incurred equal to the profits either obtained by Genesis Systems, LLC, or the lost profits suffered by Williams and Lake, LLC as a result of the business activity of Genesis Systems, LLC.;
- C. To the extent not included as part of the money damages awarded under paragraph (B), entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally, for damages equal to the unjust enrichment caused by the misappropriation that is not taken into account in computing actual loss;
- D. Alternatively, if larger, entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally, in an amount equal to a reasonable royalty on the sale of all modulating brake lights by Genesis Systems, LLC;
  - E. An award sufficient for effective corrective advertising and brand rehabilitation.
  - F. An award sufficient for effective customer relationship rebuilding efforts.
- G. An award sufficient to compensate W&L for its inability to get a patent on its own invention(s) in view of Defendants' first-filing a patent application derived from ideas Defendants improperly obtained from W&L, including losses up to 20 years in the future both in profits and market share.
- H. As award of punitive damages against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally, equal to amount double the award of compensatory damages;

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- I. An award of reasonable attorney fees and cost against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally;
  - J. Any additional remedy that the Court deems just and appropriate.

#### **COUNT IV**

#### (Breach of Duty of Loyalty and Fiduciary Duty as to Mr. Jameson and Mr. Burchett)

- 113. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 114. As an agent of W&L, Mr. Jameson and Mr. Burchett had a duty to act with entire good faith and loyalty in furtherance of the interest of W&L in all matters concerning the scope of their agency.
- 115. Mr. Jameson and Mr. Burchett had access to and use of W&L's Confidential Information for purposes of performing their duties on behalf of W&L
- 116. This Confidential Information was developed by W&L for purposes of operating a successful business for the manufacturing, marketing, and sale of modulating brake lights to automobile dealerships.
- While working for W&L, Mr. Jameson engaged in substantial design and 117. development plans for launching and operating Genesis for purposes of selling a competing modulating brake light.
- 118. Mr. Jameson's conduct, with the assistance of Mr. Burchett, exceeded permissible preparation to compete and violated their duty of loyalty and fiduciary obligations to W&L.
- 119. Mr. Jameson and Mr. Burchett used W&L's Confidential Information for their own purposes while employed by W&L, and afterwards, to plan, launch and operate Genesis for purposes of selling a competing modulating brake light.
- 120. Mr. Jameson and Mr. Burchett acquired the Confidential Information with the knowledge and expectation that such information was deemed confidential and proprietary and was not be used by them for purposes of planning and launching a competing business.

- 121. W&L took reasonable precautions under the circumstances to maintain the confidentiality of the Confidential Information by requiring its sales agents to sign agreements acknowledging the confidentiality of such information and requirement not to disclose the Confidential Information.
- 122. W&L's Confidential Information was not published, disseminated or made known to the general public.
- 123. W&L's Confidential Information was only discussed and disclosed to Mr. Jameson and Mr. Burchett in confidence and with the understanding and expectation that they would not improperly disclose such Confidential Information to the competitive harm of W&L.
- 124. Mr. Jameson and Mr. Burchett acquired such Confidential Information under a duty to maintain its secrecy.
  - 125. Genesis has improperly acquired and used W&L's Confidential Information.
- 126. Mr. Jameson and Mr. Burchett have breached their duty of loyalty and breach of fiduciary duty as a result of the forgoing conduct.
- 127. Defendants' deceptive conduct in taking advantage of Mr. Jameson's relationship with Mr. Dorsey and employment relationship with W&L to acquire and use W&L's Confidential Information to plan, launch, and operate a competing business was willful and malicious.
- 128. W&L has been and is being irreparably damaged by Defendants' conduct, both in terms of direct monetary loss and incalculable and non-monetary damages to W&L's reputation and position in the marketplace for which there is no adequate remedy at law.
- 129. W&L is informed and believes and based thereon alleges that Defendants' deceptive conduct in operating a competing business using information improperly gained through Mr. Jameson's and Mr. Burchett's breach of duty of loyalty and fiduciary duty will continue unless enjoined by this Court.

### WHEREFORE, W&L demands judgment as follows:

- A. Injunctive relief enjoining Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett from continuing to operate and sell its competing modulating brake light;
- B. Entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett jointly and severally, for damages incurred equal to the profits either obtained by Genesis Systems, LLC, or the lost profits suffered by Williams and Lake, LLC as a result of the business activity of Genesis Systems, LLC.;
- C. Alternatively, if larger, entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett jointly and severally, in an amount equal to an award of a reasonable royalty on the sale of all modulating brake lights by Genesis Systems, LLC;
- D. As award of punitive damages against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally, equal to amount double the award of compensatory damages;
  - E. An award sufficient for effective corrective advertising and brand rehabilitation.
  - F. An award sufficient for effective customer relationship rebuilding efforts.
- G. An award sufficient to compensate W&L for its inability to get a patent on its own invention(s) in view of Defendants' first-filing a patent application derived from ideas Defendants improperly obtained from W&L, including losses up to 20 years in the future both in profits and market share.
- H. An award of reasonable attorney fees and cost against Genesis Systems, LLC, Mr.
   George Jameson, and Mr. Randy Burchett, jointly and severally;
  - I. Any additional remedy that the Court deems just and appropriate.

# COUNT V (Breach of Contract as to Mr. Jameson and Mr. Burchett)

- 130. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 131. Mr. Jameson and Mr. Burchett have breached their contractual obligations to maintain the confidentiality of W&L's Trade Secrets and Confidential Information and to not compete or aid others in competing with W&L.
- 132. W&L has been damaged as a result of this breach as a result of Genesis taking advantage of and using the Trade Secrets and Confidential Information to inflict competitive harm upon W&L.
- 133. W&L has been and is being irreparably damaged by Defendants' conduct, both in terms of direct monetary loss and incalculable and non-monetary damages to W&L's reputation and position in the marketplace for which there is no adequate remedy at law.
- 134. W&L is informed and believes and based thereon alleges that Mr. Jameson's and Mr. Burchett's deceptive conduct in breach of their contractual obligations will continue unless enjoined by this Court.

### WHEREFORE, W&L demands judgment as follows:

- A. Injunctive relief enjoining Mr. George Jameson and Mr. Randy Burchett from continuing to operate and sell its competing modulating brake light; and/or;
- B. Entry of a money judgment against Mr. George Jameson and Mr. Randy Burchett jointly and severally, for damages incurred equal to the profits either obtained by Genesis Systems, LLC, or the lost profits suffered by Williams and Lake, LLC as a result of the business activity of Genesis Systems, LLC.;
- C. Alternatively, if larger, entry of money judgment against Mr. George Jameson and Mr. Randy Burchett jointly and severally, in an amount equal to a reasonable royalty on the sale of all modulating brake lights by Genesis Systems, LLC;
  - D. An award sufficient for effective corrective advertising and brand rehabilitation.
  - E. An award sufficient for effective customer relationship rebuilding efforts.

- F. An award sufficient to compensate W&L for its inability to get a patent on its own invention(s) in view of Defendants' first-filing a patent application derived from ideas Defendants improperly obtained from W&L, including losses up to 20 years in the future both in profits and market share.
- G. An award of reasonable attorney fees and cost against Mr. George Jameson and Mr. Randy Burchett, jointly and severally; and
  - H. Any additional remedy that the Court deems just and appropriate.

### COUNT VI (Common Law Unfair Competition as to all Defendants)

- 135. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 136. Genesis has engaged in unfair competition under the common law of Arizona and the several states by the use of W&L's Confidential Information and Trade Secrets to compete with W&L and by engaging in false and deceptive advertising.
- 137. W&L has been and is being irreparably damaged by Defendants' conduct, both in terms of direct monetary loss and incalculable and non-monetary damages to W&L's reputation and position in the marketplace for which there is no adequate remedy at law.
- 138. W&L is informed and believes and based thereon alleges that Defendants' false and deceptive advertising and other unfair competition in operating a competing business using information improperly gained through Mr. Jameson's and Mr. Burchett's breach of their duties under, and violation of, state and federal common and statutory law and contract will continue unless enjoined by this Court.

### WHEREFORE, W&L demands judgment as follows:

A. Injunctive relief enjoining Genesis Systems, LLC from continuing to operate and sell its competing modulating brake light and making false or misleading statements;

- B. Entry of a money judgment against Genesis Systems, LLC for damages incurred equal to the profits either obtained by Genesis Systems, LLC, or the lost profits suffered by Williams and Lake, LLC as a result of the business activity of Genesis Systems, LLC.;
- C. Alternatively, if larger, entry of money judgment against Genesis Systems, LLC in an amount equal to a reasonable royalty on the sale of all modulating brake lights by Genesis Systems, LLC;
  - D. An award sufficient for effective corrective advertising and brand rehabilitation.
  - E. An award sufficient for effective customer relationship rebuilding efforts.
- F. An award sufficient to compensate W&L for its inability to get a patent on its own invention(s) in view of Defendants' first-filing a patent application derived from ideas Defendants improperly obtained from W&L, including losses up to 20 years in the future both in profits and market share.
  - G. An award of reasonable attorney fees and cost against Genesis Systems, LLC; and
  - H. Any additional remedy that the Court deems just and appropriate.

#### **COUNT VII**

#### (Intentional Interference with Prospective Economic Advantage as to all Defendants)

- 139. W&L incorporates as fully restated herein each of the allegations and averments in the preceding paragraphs.
- 140. W&L has and has had economic relationships with various third persons, including customers and potential customers, that contain the probability of future economic benefit to W&L. W&L's Confidential Information and Trade Secrets comprised, among other things, customer names, pricing, and identities of potential customers, along with the represented prospective business opportunities of W&L (herein, "W&L's economic relationships").
- 141. By their position of trust within W&L and their access to W&L's Confidential Information and Trade Secrets, Defendants had first-hand knowledge of the existence of W&L's economic relationships.

- 142. Defendants engaged in intentional acts designed to disrupt W&L's economic relationships, including that Genesis improperly used W&L's Confidential Information and Trade Secrets, which comprised, among other things, business plans, strategies, pricing models, legal strategies to address regulatory issues, and marketing techniques, along with the Confidential Information, to divert and usurp W&L's existing and prospective business opportunities.
- 143. W&L's economic relationships have actually been disrupted by Defendants' actions, in that W&L has lost existing business or been unable to make sales to prospective customers, or both, as a direct results of Defendants' improper actions.
- 144. W&L has been foreseeably damaged as a direct result of the aforesaid tortious conduct by the Defendants.
- 145. W&L has been and is being irreparably damaged by Defendants' conduct, both in terms of direct monetary loss and incalculable and non-monetary damages to W&L's reputation and position in the marketplace for which there is no adequate remedy at law.
- 146. W&L is informed and believes and based thereon alleges that Defendants' intentional interference with prospective economic advantage in operating a competing business using information improperly gained through Mr. Jameson's and Mr. Burchett's breach of their duties under, and violation of, state and federal common and statutory law and contract will continue unless enjoined by this Court.

#### WHEREFORE, W&L demands judgment as follows:

- A. Injunctive relief enjoining Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett from continuing to operate and sell its competing modulating brake light;
- B. Entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett jointly and severally, for damages incurred equal to the profits either obtained by Genesis Systems, LLC, or the lost profits suffered by Williams and Lake, LLC as a result of the business activity of Genesis Systems, LLC;

- C. Alternatively, if larger, entry of a money judgment against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett jointly and severally, in an amount equal to an award of a reasonable royalty on the sale of all modulating brake lights by Genesis Systems, LLC;
  - D. An award sufficient for effective corrective advertising and brand rehabilitation.
  - E. An award sufficient for effective customer relationship rebuilding efforts.
- F. An award sufficient to compensate W&L for its inability to get a patent on its own invention(s) in view of Defendants' first-filing a patent application derived from ideas Defendants improperly obtained from W&L, including losses up to 20 years in the future both in profits and market share.
- G. As award of punitive damages against Genesis Systems, LLC, Mr. George Jameson, and Mr. Randy Burchett, jointly and severally, equal to amount double the award of compensatory damages;
- H. An award of reasonable attorney fees and cost against Genesis Systems, LLC, Mr.
   George Jameson, and Mr. Randy Burchett, jointly and severally; and
  - I. Any additional remedy that the Court deems just and appropriate.

### **JURY DEMAND**

Plaintiff requests a trial by jury in this matter pursuant to Rule 38, *Federal Rules of Civil Procedure*.

DATED this 14<sup>th</sup> day of March 2017.

By: /s/ Justin D. Castillo
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