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7	Attorneys for Plaintiffs Seatriever International Holdings, Ltd Illoom Balloon Limited	d. and	
8	LINITED STAT	FS DISTRICT COURT	
9	UNITED STATES DISTRICT COURT		
10	CENTRAL DISTRICT OF CALIFORNIA		
11	WESTI	ERN DIVISION	
12	SEATRIEVER INTERNATIONAL HOLDINGS LTD., a United	CASE NO. 2:17-cv-08376-JAK-JPR	
13	Kingdom private limited company, and ILLOOM BALLOON	FIRST AMENDED COMPLAINT	
14	LIMITED, a United Kingdom limited business entity,	FOR PATENT INFRINGEMENT	
15	Plaintiffs,	Hon. John A. Kronstadt	
16	VS.	JURY TRIAL DEMANDED	
17	INNOVA IMPORTS LLC, a New	JUKI IKIAL DEMANDED	
18	York limited liability company, TRENDY HOME GOODS, INC., a		
19	New York corporation, ICA DEALS, LLC, a California limited		
20	liability company, and DOES 1-10,		
21	Defendants.		
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CCA UTH	FIRST AMI	ENDED COMPLAINT	

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Plaintiffs Seatriever International Holdings Ltd. ("Seatriever") and Illoom Balloon Limited ("IBL," and collectively with Seatriever, "Plaintiffs"), by and through their attorneys, for their First Amended Complaint against Defendants Innova Imports LLC ("Innova"), Trendy Home Goods, Inc. ("Trendy Home"), ICA Deals, LLC ("ICA Deals"), and Does 1-10 (collectively, "Defendants"), allege as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement arising under the Patent Laws of the United States, Title 35, United States Code, involving United States Patent No. 8,297,778 (the "'778 patent").

PARTIES

- 2. Plaintiff Seatriever is a private limited company organized under the laws of United Kingdom and having a principal place of business at Cheshire Business Park, Cheshire Avenue, Lostock Gralam, Northwich, Cheshire CW9 7UA, England, United Kingdom.
- 3. Plaintiff IBL is a limited business entity organized under the laws of United Kingdom and having a principal place of business at Cheshire Business Park, Cheshire Avenue, Lostock Gralam, Northwich, Cheshire CW9 7UA, England, United Kingdom. IBL is a wholly-owned subsidiary of Seatriever.
- 4. Upon information and belief, Innova is a New York limited liability company, with its principal place of business in 1370 Broadway, Suite 540, New York, NY 10018.
- 5. Upon information and belief, Trendy Home is a New York corporation, with its principal place of business in 1472 7th Street, West Babylon, NY 11704.

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6. Upon information and belief, ICA Deals is a California limited liability company, with its principal place of business in 2646 S. Downey Road, Vernon, CA 90058.

7. Plaintiffs are ignorant to the true names and capacities of the Defendants sued herein as DOES 1-10, inclusive, and therefore Plaintiffs have sued them by their fictitious name. Upon information and belief, DOES 1-10 were and are a moving, active, conscious force behind the infringement of Plaintiffs' rights. As such, DOES 1-10 are liable to Plaintiffs.

JURISDICTION AND VENUE

- 8. This action is based upon and arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including, but not limited to, 35 U.S.C. § 271.
- 9. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).
- 10. Defendants are subject to personal jurisdiction of this Court because, *inter alia*, Defendants have committed, and actively induced the commission of, at least a portion of the infringements alleged herein within the State of California and this judicial district; imported into and placed infringing products into the stream of commerce, with the knowledge and understanding that such products are sold and used in the State of California and this judicial district; regularly conduct or solicit business, engage in other persistent courses of conduct, and/or derive substantial revenue from goods and services provided to individuals in the State of California and this judicial district.
- 11. This Court has general personal jurisdiction over ICA Deals for the additional reason that ICA Deals is organized under the laws of the State of California and maintains the principal place of business in the State of California and this judicial district.

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12. Venue is proper in this Court under 28 U.S.C. §§ 1391(b)-(c) and 1400(b), because Defendants maintain a regular and established place of business and have committed infringing acts in this judicial district.

PATENT-IN-SUIT

- 13. On October 30, 2012, the United States Patent and Trademark Office duly and legally issued the '778 patent, titled "Party Balloon with Illumination Device," to Seatriever. A true and correct copy of the '778 patent is attached hereto as **Exhibit A**.
- 14. Seatriever owns all rights, title, and interest in and to the '778 patent, including, but not limited to, the right to enforce the '778 patent and collect damages for past and future infringements thereof.

FACTUAL BACKGROUND

party balloon comprising an expansible membrane with an inlet port to allow entry of gas upon inflation, an illumination device mounted to the inside the expansible membrane, a clip or O-ring, and a strip of insulating material. The illumination device of the '778 patent includes a light emitting device, such as a light-emitting-diode ("LED"), one or more batteries to power the light emitting device, and a housing that houses the light emitting device and the battery. The housing has a projection extending outwards, which may have a spherical bead-like or flattened button-like shape. The illumination device is positioned in the opposite end of the inlet port, being attached to the inside the expansible membrane by a clip or O-ring fitted onto the projection from outside the membrane. The strip of insulating material is releasably disposed between the battery and the light emitting device housed in the illumination device. The outer end region of the strip of insulating material may have an enlarged width and be an arrowhead-like shape. The strip of

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insulating material may have a second region of enlarged width at a distance from the outer end region. The second region of enlarged width may be a circular shape.

- Seatriever is a pioneer in the field of illuminated balloons and sells, among other things, a popular product called ILLOOM® balloons. Seatriever's ILLOOM® balloons are sold in online and offline distributers, such as amazon.com, Walmart, and Target.
- 17. Seatriever's ILLOOM® balloons embody an innovation disclosed and claimed in the '778 patent, i.e., they contain an LED unit mounted inside the balloon, one or more batteries to power the LED, a clip or O-ring that secures the LED unit from outside the balloon, and a strip of insulating material disposed between the battery and LED that triggers the illumination of the balloon when pulled.
- As an exclusive licensee of the '778 patent, IBL procures the 18. manufacture of all ILLOOM® balloons and distributes them worldwide for and on behalf of Seatriever.
- 19. Upon information and belief, Innova and Trendy Home have imported into the United States, sold, offered to sell, and distributed within the United States, including this judicial district, "Light Up Balloon" products that infringe upon Seatriever's '778 patent.
- 20. Upon information and belief, Innova and Trendy Home have imported into the United States more than ten thousands units of infringing "Light Up Balloon" products.
- 21. Upon information and belief, Innova, Trendy Home, and ICA Deals have stored and inventoried these infringing "Light Up Balloon" products in warehouses in the State of California, and within this judicial district.

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California and in this judicial district.

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sold the infringing "Light Up Balloon" products to wholesale and retail suppliers such as Party USA, amazon.com, and wayfair.com, which in turn sold the infringing "Light Up Balloon" products to customers, including customers in the State of California and in this judicial district.

Up Balloon" products still sit in ICA Deals' warehouse located in the State of

24. Upon information and belief, ICA Deals, and its employees, used the "Light Up Balloon" products in the State of California and in this judicial district.

Upon information and belief, thousands of units of infringing "Light

Upon information and belief, Innova, Trendy Home, and ICA Deals

- 25. Defendants' "Light Up Balloon" products infringe all claims (*i.e.*, claims 1-6) of the '778 patent. The infringing "Light Up Balloon" products include, without limitation, the products with barcode numbers 4897056743984, 4897056743991, 4897056744004, 4897056743953, 4897056743960, and 4897056743977 (collectively, the "Infringing Balloons").
- 26. Upon information and belief, the Infringing Balloons are used for decorative and/or play purposes.
- 27. The Infringing Balloons have an expansible membrane with an inlet port that allows entry of gas upon inflation. *See* Fig. 1 below.



Fig. 1.

28. The Infringing Balloons have an illumination device attached inside the balloon at a location opposite from the inlet port. *See* Fig. 2 below.



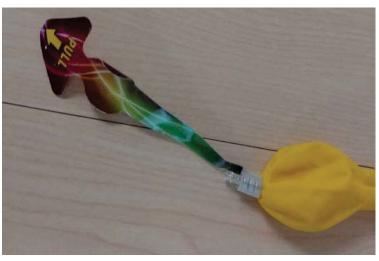


Fig. 2.

- 29. The illumination device includes a housing that houses a light emitting device and at least one battery power source, which powers that light emitting device. *See* Fig. 2 above.
- 30. Upon information and belief, the light emitting device of the Infringing Balloons is an LED. *See* Fig. 2 above.
- 31. The illumination device also includes a projection extending outwards from the housing. *See* Fig. 3 below.



Fig. 3.

32. The projection extending outwards from the housing is in the form of a spherical bead or a flattened button. *See* Fig. 3 above.

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33. The Infringing Balloons have an O-ring or elastic ring that holds from			
outside the housing of the illuminating part located inside the balloon. The O-ring			
or elastic ring holds the illumination device at a location opposite to the inlet port.			
The housing of the illumination device is connected or supported by none other			
than the balloon membrane itself. See Figs. 2 & 3 above.			

- 34. The Infringing Balloons include a strip of insulating material releasably disposed between the battery and the light emitting device. The strip of insulating material extends through the inlet port to an outer end region. The width of at least a portion of the outer end region of the strip is wider than that of the inner part. The outer end region is arrowhead-shaped. See Figs. 2 & 3 above.
- The Infringing Balloons' strip of insulating material has a second 35. region of enlarged width at a spacing from the outer end region. See Fig. 2 above.
- The width of the second region is narrower than that of the outer end 36. region but is sufficiently wider than the diameter of the inlet port, such that the second region, before pulled off by a sufficient force, remains inside the Infringing Balloon. See Figs. 1 (before pulled off) & 2 above.
- The second region of enlarged width has a circular shape. See Fig. 2 37. above.
- 38. The Infringing Balloons include all elements claimed in claims 1-6 of the '778 patent.
- 39. On May 17, 2017, Seatriever sent Innova and Trendy Home a cease and desist letter regarding the '778 patent.
- 40. Therefore, Innova and Trendy Home had actual knowledge of the '778 patent and their infringement thereof at least as of Seatriever's May 17, 2017 cease-and-desist correspondence.

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- 41. Around October 24, 2017, Innova and Trendy Home provided Plaintiffs' counsel with pictures of the Infringing Balloons located in ICA Deals' warehouse.
- 42. Upon information and belief, Innova, Trendy Home, and ICA Deals did not conduct a good faith investigation of or obtain an opinion of counsel regarding their infringement of the '778 patent.
- 43. Innova, Trendy Home, and ICA Deals have never claimed non-infringement or invalidity of any claims of the '778 patent.
- 44. Upon information and belief, the Infringing Balloons are knock-off products, copied from Plaintiffs' ILLOOM® balloon that embodies the invention claimed in the '778 patent and that is marked with the '778 patent. *See* Fig. 4 below.



Fig. 4.

45. Having constructive and actual knowledge of the '778 patent, Innova, Trendy Home, and ICA Deals intentionally and willfully infringed and continue to intentionally and willfully infringe the '778 patent.

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COUNT 1

(INFRINGEMENT OF U.S. PATENT NO. 8,297,778) (AGAINST ALL DEFENDANTS)

- 46. All of the foregoing allegations of this complaint are incorporated by reference herein as if restated and set forth in full.
- 47. Defendants have directly infringed and continue to directly infringe claims 1-6 of the '778 patent by importing, using, offering to sell, and selling within the United States the Infringing Balloons, in violation of 35 U.S.C. § 271(a).
- 48. Defendants have indirectly infringed and continue to indirectly infringe claims 1-6 of the '778 patent, in violation of 35 U.S.C. § 271(b), by actively inducing resellers (such as Party USA, amazon.com, and wayfair.com) and/or end users to use, offer to sell, sell, and/or distribute within the United States the infringing products, including, without limitation, the Infringing Balloons. Defendants have knowingly and intentionally induced and continue to knowingly and intentionally induce the resellers and/or end users to directly infringe, by knowingly, actively, intentionally, and voluntarily selling, offering to sell, distributing, and supplying the infringing products to such resellers and/or end users, for the ultimate purpose of profiting from the sale of the infringing products.
- 49. Defendants do not have a valid license or permission to use the invention claimed in the '778 patent.
- 50. Defendants have profited through their infringement of the '778 patent and through the resellers and end users' infringement of the '778 patent.
- 51. As a direct and proximate result of Defendants' direct, joint, and/or induced infringement of claims 1-6 of the '778 patent, Plaintiffs have been injured and will continue to incur significant financial damages to be proven at trial unless and until Defendants are enjoined.

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least as early as May 17, 2017, and at least since that date had actual knowledge
that one or more of their balloon products infringe one or more claims of the '778
patent. With that actual knowledge, and without taking any good faith
investigation of or obtaining an opinion of counsel regarding their infringement of
the '778 patent, Innova and Trendy Home have intentionally and willfully
infringed and continue to intentionally and willfully infringe claims 1-6 of the '778
patent at least since May 17, 2017. Such willful infringement entitles Plaintiffs to
the recovery of increased damages under 35 U.S.C. § 284.
53. ICA Deals had actual knowledge of the '778 patent at least as of
October 24, 2017, and at least since that date had actual knowledge that one or

Innova and Trendy Home had actual knowledge of the '778 patent at

- more of the balloon products infringe one or more claims of the '778 patent. With that actual knowledge, and without taking any good faith investigation of or obtaining an opinion of counsel regarding their infringement of the '778 patent, ICA Deals has intentionally and willfully infringed and continue to intentionally and willfully infringe claims 1-6 of the '778 patent at least since October 24, 2017. Such willful infringement entitles Plaintiffs to the recovery of increased damages under 35 U.S.C. § 284.
- The infringing activities by Defendants have caused and will continue 54. to cause irreparable injury for which there exists no adequate remedy at law.

PRAYER FOR RELIEF

Whereof, Plaintiffs Seatriever and IBL respectfully pray that this Court:

- enter judgment declaring that each Defendant has infringed, directly A. and/or indirectly, literally and/or under the doctrine of equivalents, one or more claims the '778 patent in violation of 35 U.S.C. § 271;
- В. issue a permanent injunction enjoining Defendants, their officers, agents, subsidiaries, and employees, and those in privity or in active concert with

1	them, from further activities that constitute infringement of the '778 patent within
2	the State of California and across the United States;
3	C. declare that Defendants' infringement of the '778 patent is willful and
4	deliberate pursuant to 35 U.S.C. § 284;
5	D. order that Plaintiffs be awarded damages adequate to compensate for
6	Defendants' infringement of the '778 patent, including lost profits and in no event
7	less than a reasonable royalty;
8	E. award Plaintiffs treble damages because of the willful and deliberate
9	nature of the infringement, together with costs, pre-judgment interest, and post-
10	judgment interest;
11	F. declare this an exceptional case under 35 U.S.C. § 285 and award
12	reasonable attorneys' fees; and
13	G. order such other and further relief as the Court deems just and proper.
14	<u>DEMAND FOR JURY TRIAL</u>
15	Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs
16	demand a trial by jury on all issues so triable.
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18	DATED: February 9, 2018 STRADLING YOCCA CARLSON &
19	RAUTH, P.C.
20	By: /s/Sarah S. Brooks Sorah S. Brooks (SBN 266202)
21	By: /s/Sarah S. Brooks Sarah S. Brooks (SBN 266292) JaeWon Lee (SBN 305548) Attorneys for Plaintiffs
22	Auomeys for Flamums
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CERTIFICATE OF SERVICE

I hereby certify that on February 9, 2018 I caused to be electronically filed a true and correct copy of

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

herewith the Clerk of the Court using CM/ECF system and were served on all parties or their counsel of record through the CM/ECF system if they are registered users or, if they are not, by serving a true and correct copy at the e-mail addresses listed on the attached Service List.

I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made. Executed on February 9, 2018, at Santa Monica, California.

Suzanne Johnson

-12-

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7	Attorneys for Defendants, Innova Imports LLC, Trendy Home Goods, Inc. and ICA Deals, LLC
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CERTIFICATE OF SERVICE