

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

vPersonalize Inc.,

Plaintiff,

vs.

Magnetize Consultants Ltd.

(*dba*, Kit Builder)

Defendant

Case No.: 2:18-CV-01836

FIRST AMENDED COMPLAINT

Plaintiff vPersonalize Inc. (“vPersonalize”), for its First Complaint against Defendant Magnetize Consultants Ltd. (*dba* “Kit Builder”), states and alleges as follows:

PARTIES

1. vPersonalize is a U.S. corporation organized and existing under the laws of the State of California, having its principal place of business at 1728 Ocean Avenue, Suite 322, San Francisco, CA 94112.

2. Upon information and belief, Kit Builder is a U.K. company with its principal place of business at Unit P2, Insworth Technology Park, Insworth Lane, Gloucester, United Kingdom GL31DL.

JURISDICTION AND VENUE

3. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

4. Defendant is subject to personal jurisdiction in this district pursuant to Federal Rule of Civil Procedure (Fed. R. Civ. P.) 4(k)(2). The dispute between the parties involves a federal question, Kit Builder is not subject to personal jurisdiction in any state's courts of general jurisdiction, and the exercise of this Court's personal jurisdiction over Kit Builder is consistent with due process. Kit Builder has minimum contacts with the United States such that the maintenance of suit would not offend fair play and substantial justice. Personal jurisdiction over Kit Builder is reasonable and fair in the United States, including in this district.

5. Kit Builder purposefully directed its activities to the United States by doing business in the United States by, among other things, offering its products and services to customers, business affiliates and partners located in the United States. Kit Builder has regularly engaged in business in the United States and purposefully availed itself of the privilege of conducting business in the United States by offering its products and services to, at least, Rhino Rugby (New York), American Rucker (Nebraska), InksewnUSA (Pennsylvania), Brandyay (Pennsylvania), ShirtsandLogos (Wisconsin), Duo Digital Prints (California), Rox Volleyball (Florida) and Sublimation Dynamics (Washington).

6. Kit Builder has committed acts of infringement of one or more of the claims of one or more of the Patents-in-Suit in the United States. Kit Builder has also induced others to commit acts of infringement of one or more of the claims of the Patents-in-Suit in the United States. Further, Kit Builder has induced others to commit acts of infringement of one or more of the claims of the Patents-in-Suit by offering its services to customers who imported, sold or offered to sell within the United States products which are made by methods claimed in the Patents-in-Suit.

7. Venue in this district is proper pursuant to 28 U.S.C. §§ 1391 (b)(3) and (c)(3) because Kit Builder is subject to personal jurisdiction throughout the United States and has

committed acts of infringement in the United States.

FACTUAL BACKGROUND

The Patents-in-Suit

8. On May 24, 2016, the United States Patent and Trademark Office (“USPTO”) duly and lawfully issued United States Patent No. 9,345,280 B2 (“the ’280 Patent”) entitled “Using UV Unwrapping To Create Manufacturing Patterns For Custom Prints.” A true and correct copy of the ’280 Patent is attached hereto as Exhibit A.

9. On August 2, 2016, the USPTO duly and lawfully issued United States Patent No. 9,406,172 B2 (“the ’172 Patent”) entitled “Method For Automatic Extrapolation Of Designs Across Apparel And Accessory Sizes And Types.” A true and correct copy of the ’172 Patent is attached hereto as Exhibit B.

10. On May 30, 2017, the USPTO duly and lawfully issued United States Patent No. 9,661,886 B1 (“the ’866 Patent”) entitled “System And Method For Capturing Design State Of Apparel Or Accessory To Enable Extrapolation For Style And Size Variants.” A true and correct copy of the ’866 Patent is attached hereto as Exhibit C.

11. vPersonalize is the owner by assignment of each of the Patents-in-Suit.

Defendant’s Infringing Product

12. On information and belief, Kit Builder is in the business of, *inter alia*, selling 3D custom designer software to allow a user to design garments with different options for color, logos, text, embellishment, size etc. Kit Builder sells a software called 3D Kit Builder, which allows users to design on 3D model of a garment or accessory and automatically generate the manufacturing patterns for the said garment or accessory with the corresponding design.

13. On information and belief, 3D Kit Builder allows users to design on 3D model of a garment or accessory and automatically generate the manufacturing patterns for the garment or the accessory with the corresponding design by using steps which are claimed in Claim 1 of the ’280 Patent, either literally or under the doctrine of equivalents. 3D Kit Builder comprises at least the following steps:

- a. creating a 3D model wherein the UV map of the said 3D model exactly matches the corresponding manufacturing pattern in shape and scale;
- b. arranging various components of the 3D model in the UV map to facilitate the desired image or text flow;
- c. designing on the 3D model; and
- d. using a method of UV unwrapping or image cutting to get back the UVs (and consequently the manufacturing patterns) with the corresponding design composite.

14. On information and belief, Kit Builder is in the business of, *inter alia*, selling custom clothing designer software to allow a user to design and customize a garment by, including, but not limited to, moving around or resizing logo, pattern or text, and by offering garments of different sizes bearing the same design by using steps which are claimed in at least one of the claims of the '172 Patent, either literally or under the doctrine of equivalents. 3D Kit Builder comprises at least the following steps:

- a. determining the original height and original width of the garment;
- b. determining a second height and a second width which is indicative of the dimension of the modified garment;
- c. determining a coordinate pair which is indicative of a center point of a design pattern embedded on the garment;
- d. calculating the difference between the original width and the second width;
- e. calculating the difference between the original height and the second height;
- f. determining a maximum and a minimum value by comparing the values of the width difference and the height difference;
- g. applying an affine transformation on the original height and width of the garment, and providing the coordinate pair and at least one of the minimum and maximum values as inputs for the affine transformation; and
- h. modifying the original height and width of the garment in accordance with at

least one of the minimum or maximum values and adjusting the coordinate pair on the modified width and height of the garment using the affine transformation.

15. On information and belief, Kit Builder is in the business of, *inter alia*, selling custom clothing designer software to allow a user to capture a design status or condition corresponding to a design pattern embedded on a garment pattern or component and transform the captured design status or condition to incorporate dimensional or shape variations thereto by using steps which are claimed in at least one of the claims of the '886 Patent, either literally or under the doctrine of equivalents. 3D Kit Builder comprises at least the following steps.

- a. identifying a design status or condition of a design representing one or more design patterns embedded on the garment component, and wherein the design status or condition of the design comprises at least an original height and original width of the one or more design patterns, and a first coordinate pair indicating a center point of the one or more design patterns;
- b. identifying an original height and an original width of the garment component, and further identifying an alteration height and alteration width corresponding to the garment component;
- c. identifying an original height and an original width of the garment component, and further identifying an alteration height and alteration width corresponding to the garment component;
- d. calculating a plurality of translation factors, based at least on the original height, original width, alteration height, alteration width corresponding to the garment component and the scale factor;
- e. providing at least the scale factor and the plurality of translation factors as inputs to the computing device through an input device/interface for an affine transformation operation, and executing the affine transformation operation on the design status or condition of the design; wherein the affine transformation is performed to modify and reposition each of the original design patterns to the

altered width, height and position of the garment component.

16. According to Kit Builder's website¹, 3D Kit Builder allows users to add text or logos to a garment and further customize the garment by resizing the garment with text or logo on it, or resizing the added text or logo, moving the same around, changing color of the added text or logo, choosing specific fonts or adding custom fonts.

17. According to Kit Builder's website², 3D Kit Builder comprises identifying a design status or condition of design patterns embedded on a garment and transforming the said design status or condition to incorporate changes in garment size and shape, for instance, by allowing a user to add masks to their design templates to assign areas within the design, create custom panels and designate specific options, predefine text locations or predefine logo areas, edit and scale patterns, blend multiple colors, add texture, control swatch, edit embellishments, add custom options, and change the shape, style or size of a garment.

18. According to Kit Builder's website, 3D Kit Builder comprises designing on a 3D model of a garment and automatically generating manufacturing patterns for the garment³, for instance, by allowing a user to generate and download, including, but not limited to, garment specification production sheet and 3D model templates for different garments.⁴

19. On information and belief, Kit Builder has also induced, and continue to induce, infringement of the claims of the Patents-in-Suit by instructing others to use 3D Kit Builder, including, but not limited to, by selling or offering to sell 3D Kit Builder and by providing training and ongoing support on how to use 3D Kit Builder.⁵

20. On information and belief, Kit Builder sold or offered to sell 3D Kit Builder to companies outside the United States knowing that those companies will import garments made using 3D Kit Builder in to the United States. For instance, Kit Builder sold 3D Kit Builder to

¹<https://www.kitbuilder.co.uk/3d-kit-builder-features>

²<https://www.kitbuilder.co.uk/3d-kit-builder-features>

³<https://www.kitbuilder.co.uk/3d-kit-builder#/customise/43867856?basketIndex=4>

⁴<https://www.kitbuilder.co.uk/3d-kit-builder-features>

⁵<https://www.kitbuilder.co.uk/3d-kit-builder-features>

Samurai Sportswear Ltd.⁶Samurai Sportswear Ltd. is an international sportswear manufacturer headquartered in the United Kingdom⁷ and has Samurai Sportswear USA⁸ as its “exclusive US distributor for [its] extensive range of premium quality, made to order, individually designed, team garments for a wide range of sports including rugby, soccer, field hockey, lacrosse and baseball.⁹Both, Samurai Sportswear Ltd. and Samurai Sportswear USA, use and offer to their customers the same 3D Kit Builder sold by Kit Builder to them for designing customized sports kits.¹⁰

21. Kit Builder’s 3D Kit Builder meets all of the limitations of one or more of the claims of the Patents-in-Suit either literally or under the doctrine of equivalents, and thus infringes the Patents-in-Suit.

Defendant’s Knowledge of vPersonalize’s Patents

22. On information and belief, Kit Builder had actual knowledge of the Patents-in-Suit and of Kit Builder’s infringement of those patents, at least as of October 29, 2018, when Kit Builder received a notice letter regarding Infringement of Patents Owned by vPersonalize Inc from vPersonalize’s undersigned counsel.

23. Despite the fact that Kit Builder had actual knowledge of Patents-in-Suit, it has acted willfully and in disregard of vPersonalize’s patent rights, through its continued use, sale, and/or offer for sale of 3D Kit Builder to its customers in the United States.

24. Despite the fact that Kit Builder had actual knowledge of Patents-in-Suit, it has acted willfully and in disregard of vPersonalize’s patent rights, by inducing others to infringe vPersonalize’s patent rights by using 3D Kit Builder.

25. Despite the fact that Kit Builder had actual knowledge of Patents-in-Suit, it has acted willfully and in disregard of vPersonalize’s patent rights through its continued sale and/or offer for sale of 3D Kit Builder to companies in the United States as late as March 2019 and outside

⁶<https://www.kitbuilder.co.uk/samurai>

⁷<https://www.samurai-sports.com/contact-us/>

⁸<http://samurai-us.com/#about-us>

⁹<https://www.samurai-sports.com/46765-2/>

¹⁰<https://www.samurai-sports.com/kit-designer/>

the United States knowing that those companies will export the garments manufactured using 3D Kit Builder in to the United States.

Misappropriation of vPersonalize's Trade Secret

26. On information and belief, Kit Builder improperly obtained access to vPersonalize's proprietary product, patterns, software code and technical documents through at least one third-party, Inksewn USA Corp. ("Inksewn").

27. On information and belief, Inksewn was a customer of vPersonalize in early 2018. On information and belief Inksewn downloaded blank product patterns of all sizes of at least one product, women's sports bra, on May 14, 2018.

28. On information and belief, Inksewn retained Kit Builder's services on or about June 2018. On information and belief, Inksewn shared vPersonalize's proprietary patterns, technical documents, work order formats and workflows with Kit Builder.

29. On information and belief, Kit Builder knew or should have known that Inksewn was not authorized to share vPersonalize's proprietary product patterns and other proprietary information with it, yet Kit Builder used vPersonalize's proprietary product patterns, copied them and offered them to Inksewn on Kit Builder's own platform. On information and belief, Kit Builder copied proprietary product patterns for at least one product, women's sports bra.

30. On information and belief, Kit Builder routinely offers to its customers its services for copying vPersonalize's proprietary products.

31. On information and belief, Kit Builder also copied content and terminology from vPersonalize's brochure, website, work order forms and pricing proposals, and used the same in its own sales pitches and pricing proposals.

32. On information and belief, Kit Builder continued to carry its infringement and misappropriation activities willfully even after Kit Builder was put on notice of vPersonalize's patents, and continues to do so even after filing of the instant Complaint. On information and belief, Kit Builder also misrepresented the nature of the current lawsuit to at least one of its potential customers in March 2019 to secure a sale.

COUNT I – INFRINGEMENT OF THE '280 PATENT

33. vPersonalize reasserts and incorporates herein by reference the allegations set forth in paragraph 1 through 37 as though fully set forth herein.

34. Kit Builder has directly infringed and continues to infringe claim 1 of the '280 Patent under 35 U.S.C. §271 (a), either literally or under the doctrine of equivalents, by selling and/or offering to sell, without authority, products and services, such as 3D Kit Builder. By way of example, not limitation, a representative claim chart showing how 3D Kit Builder infringes claim 1 of the '280 Patent is attached hereto as Exhibit D.

35. Kit Builder has indirectly infringed and continues to infringe claim 1 the '280 Patent under 35 U.S.C. §271 (b), either literally or under the doctrine of equivalents, by actively inducing infringement of claim 1 by others. The direct infringement occurs when an individual uses 3D Kit Builder.

36. Kit Builder has indirectly infringed and continues to infringe claim 1 of the '280 Patent under 35 U.S.C. §271 (g), either literally or under the doctrine of equivalents, by actively inducing infringement of claim 1 by others. The direct infringement occurs when an individual, without authority, imports, offers to sell or sells, or uses in the United States products made using 3D Kit Builder.

37. On information and belief, Kit Builder's active inducement has occurred with the specific intent of encouraging others to infringe the '280 Patent as demonstrated by, *inter alia*, promoting and advertising 3D Kit Builder, and instructing users to use 3D Kit Builder, in a manner that directly infringes the '280 Patent.

38. Kit Builder had knowledge of the '280 Patent, at least, as of the October 24, 2018 notice letter sent to Kit Builder by the undersigned counsel on behalf of vPersonalize indicating that Kit Builder is infringing the '280 Patent and must cease infringement immediately or seek a license from vPersonalize.

39. Kit Builder's infringement and/or inducement of infringement of the '280 Patent has been willful and deliberate and is continuing. Kit Builder's infringement and/or inducement of

infringement of the '280 Patent has caused and continues to cause damage to vPersonalize in an amount to be determined at trial.

COUNT II – INFRINGEMENT OF THE '172 PATENT

40. vPersonalize reasserts and incorporates herein by reference the allegations set forth in paragraph 1 through 44 as though fully set forth herein.

41. Kit Builder has directly infringed and continues to infringe, at least, claim 1 of the '172 Patent under 35 U.S.C. §271 (a), either literally or under the doctrine of equivalents, by selling and/or offering to sell, without authority, products and services, such as 3D Kit Builder. By way of example, not limitation, a representative claim chart showing how 3D Kit Builder infringes, at least, claim 1 of the '172 Patent is attached hereto as Exhibit E.

42. Kit Builder has indirectly infringed and continues to infringe, at least, claim 1 the '172 Patent under 35 U.S.C. §271 (b), either literally or under the doctrine of equivalents, by actively inducing infringement of claim 1 by others. The direct infringement occurs when an individual uses 3D Kit Builder.

43. Kit Builder has indirectly infringed and continues to infringe, at least claim 1, of the '172 Patent under 35 U.S.C. §271 (g), either literally or under the doctrine of equivalents, by actively inducing infringement of claim 1 by others. The direct infringement occurs when an individual, without authority, imports, offers to sell or sells, or uses in the United States products made using 3D Kit Builder.

44. On information and belief, Defendants active inducement has occurred with the specific intent of encouraging others to infringe the '172 Patent as demonstrated by, *inter alia*, promoting and advertising 3D Kit Builder, and instructing users to use 3D Kit Builder, in a manner that directly infringes the '172 Patent.

45. Kit Builder had knowledge of the '172 Patent, at least, as of the October 24, 2018 notice letter sent to Kit Builder by the undersigned counsel on behalf of vPersonalize indicating that Kit Builder is infringing the '172 Patent and must cease infringement immediately or seek a license from vPersonalize.

46. Kit Builder's infringement and/or inducement of infringement of the '172 Patent has been willful and deliberate and is continuing. Kit Builder's infringement and/or inducement of infringement of the '172 Patent has caused and continues to cause damage to vPersonalize in an amount to be determined at trial.

COUNT III – INFRINGEMENT OF THE '886 PATENT

47. vPersonalize reasserts and incorporates herein by reference the allegations set forth in paragraph 1 through 51 as though fully set forth herein.

48. Kit Builder has directly infringed and continues to infringe, at least, claim 1 of the '886 Patent under 35 U.S.C. §271 (a), either literally or under the doctrine of equivalents, by selling and/or offering to sell, without authority, products and services, such as 3D Kit Builder. By way of example, not limitation, a representative claim chart showing how 3D Kit Builder infringes claim 1 of the '886 Patent is attached hereto as Exhibit F.

49. Kit Builder has indirectly infringed and continues to infringe, at least, claim 1 of the '886 Patent under 35 U.S.C. §271 (b), either literally or under the doctrine of equivalents, by actively inducing infringement of claim 1 by others. The direct infringement occurs when an individual uses 3D Kit Builder.

50. Kit Builder has indirectly infringed and continues to infringe, at least claim 1, of the '886 Patent under 35 U.S.C. §271 (g), either literally or under the doctrine of equivalents, by actively inducing infringement of claim 1 by others. The direct infringement occurs when an individual, without authority, imports, offers to sell or sells, or uses in the United States products made using 3D Kit Builder.

51. On information and belief, Defendants active inducement has occurred with the specific intent of encouraging others to infringe the '886 Patent as demonstrated by, *inter alia*, promoting and advertising 3D Kit Builder, and instructing users to use 3D Kit Builder, in a manner that directly infringes the '886 Patent.

52. Kit Builder had knowledge of the '886 Patent, at least, as of the October 24, 2018 notice letter sent to Kit Builder by the undersigned counsel on behalf of vPersonalize indicating

that Kit Builder is infringing the '886 Patent and must cease infringement immediately or seek a license from vPersonalize.

53. Kit Builder's infringement and/or inducement of infringement of the '886 Patent has been willful and deliberate and is continuing. Kit Builder's infringement and/or inducement of infringement of the '886 Patent has caused and continues to cause damage to vPersonalize in an amount to be determined at trial.

**COUNT IV – MISAPPROPRIATION OF vPERSONALIZE'S TRADE SECRETS
IN VIOLATION OF THE DEFEND TRADE SECRETS ACT OF 2016**

54. vPersonalize reasserts and incorporates herein by reference the allegations set forth in paragraphs 1 through 58 as though fully set forth herein.

55. Kit Builder has acquired vPersonalize's trade secret through at least one-third party (Inksewn) knowing or having reason to know that the trade secret was acquired by the third-party through improper means.

56. Kit Builder has used vPersonalize's trade secret without express or implied consent from vPersonalize.

57. Kit Builder knew or had reason to know that the knowledge of trade secret was acquired through improper means.

58. Kit Builder knew or had reason to know that the knowledge of trade secret was derived from or through a third-party who had used improper means to acquire the trade secret.

59. Kit Builder knew or had reason to know that the knowledge of trade secret was acquired under circumstances giving rise to a duty to maintain the secrecy of the trade secret or limit the use of the trade secret.

60. Kit Builder knew or had reason to know that the knowledge of trade secret was derived through a third-party who owed a duty to vPersonalize to maintain the secrecy of the trade secret or limit the use of the trade secret.

61. Kit Builder's acquisition and/or use of vPersonalize's trade secret has been willful and malicious and is continuing.

**COUNT V – MISAPPROPRIATION OF vPERSONALIZE’S TRADE SECRETS
IN VIOLATION OF THE UNIFORM TRADE SECERTS ACT (RCW 19.108)**

62. vPersonalize reasserts and incorporates herein by reference the allegations set forth in paragraphs 1 through 67 as though fully set forth herein.

63. Kit Builder has acquired vPersonalize’s trade secret through at least one-third party knowing or having reason to know that the trade secret was acquired by the third-party through improper means.

64. Kit Builder has used vPersonalize’s trade secret without express or implied consent from vPersonalize.

65. Kit Builder knew or had reason to know that the knowledge of trade secret was acquired through improper means.

66. Kit Builder knew or had reason to know that the knowledge of trade secret was derived from or through a third-party who had used improper means to acquire the trade secret.

67. Kit Builder knew or had reason to know that the knowledge of trade secret was acquired under circumstances giving rise to a duty to maintain the secrecy of the trade secret or limit the use of the trade secret.

68. Kit Builder knew or had reason to know that the knowledge of trade secret was derived though a third-party who owed a duty to vPersonalize to maintain the secrecy of the trade secret or limit the use of the trade secret.

69. Kit Builder’s acquisition and/or use of vPersonalize’s trade secret has been willful and malicious and is continuing.

RELIEF REQUESTED

WHEREFORE, Plaintiff vPersonalize Inc., respectfully requests the following relief:

- a. A judgment that Defendant has infringed the ’280 Patent;
- b. A judgment that Defendant has infringed the ’172 Patent;
- c. A judgment that Defendant has infringed the ’886 Patent;
- d. A judgment that permanently enjoins Defendant from further infringement of the

Patents-in-Suit;

e. A judgment that permanently enjoins Defendant from inducement of infringement of the Patents-in-Suit;

f. A judgment that awards damages against Defendant for its infringing activities;

g. A judgment that permanently enjoins Defendant from using Plaintiff's trade secret;

h. A judgment that awards damages against Defendant for actual loss caused by misappropriation of Plaintiff's trade secret;

i. A judgment that awards damages against Defendant for the unjust enrichment caused by misappropriation that is not taken in account in computing damages for actual loss;

j. A judgment that awards damages against Defendant for the loss caused by misrepresentation of Defendant's products and services;

k. A judgment that declares the case exceptional and awards vPersonalize treble damages, attorney's fees, costs and expenses in this action pursuant to 35 U.S.C. §§ 284 and 285 because Defendant's infringing activities have been willful and deliberate;

l. A judgment that declares that Plaintiff's trade secret was willfully and maliciously misappropriated and awards exemplary double damages and attorney's fee pursuant to 18 U.S.C. § 1836(b)(3)(C).

m. A judgment that declares that Plaintiff's trade secret was willfully and maliciously misappropriated and awards exemplary double damages and attorneys' fee pursuant to RCW 19.108.030 and RCW 19.108.040, respectively.

n. A judgment that awards pre- and post-judgment interests provided by law; and

o. Any such other relief as is deemed just and equitable.

DATED this 25th day of April 2019.

s/ Mudit Kakar

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CERTIFICATE OF SERVICE

I hereby certify that on April 25, 2019, a true and accurate copy of the foregoing and all accompanying documents (if any) was filed electronically with the Clerk of the Court using the CM/ECF system, which will send a notification of such filings to all attorneys of record.

DATED April 25, 2019.

/s/ Antonio Reyna

Antonio Reyna

Choi Capital Law PLLC