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| 3 4 | | | |
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| 6 | Telephone: (650) 812-1300 Facsimile: (650) 213-0260 | | |
| 7 8 | Attorneys for Plaintiff KELORA SYSTEMS, LLC | | |
| 9 | IN THE UNITED STATES DISTRICT COURT | | |
| 10 | FOR THE NORTHERN DISTRICT OF CALIFORNIA | | |
| 11 | KELORA SYSTEMS, LLC, | Case No. 4:11-cv-01548-CW | |
| 12 | Plaintiff, | SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT | |
| 13 | VS. | DEMAND FOR JURY TRIAL | |
| 14 15 | TARGET CORPORATION, OFFICEMAX INCORPORATED, ROCKLER COMPANIES, INC., | | |
| 16 | 1-800-FLOWERS.COM, INC., AMAZON.COM, INC., | | |
| 17 | DELL, INC., OFFICE DEPOT, INC., NEWEGG INC., | | |
| 18 | COSTCO WHOLESALE CORPORATION, | | |
| 19 20 | HEWLETT-PACKARD COMPANY, CIRCUITCITY.COM INC., | | |
| 20 21 | AUDIBLE, INC., & ZAPPOS.COM, INC., | | |
| 22 | Defendants. | | |
| 23 | | | |
| 24 | Pursuant to Federal Rule of Civil Procedure 21 and 15(a)(2), Plaintiff Kelora Systems, | | |
| 25 | LLC ("Kelora"), for its Second Amended Complaint against Defendants Target Corporation, | | |
| 26 | OfficeMax Incorporated, Rockler Companies, Inc., 1-800-Flowers.com, Inc., Amazon.com, Inc., | | |
| 27 | Dell, Inc., Office Depot, Inc., Newegg Inc., Costco Wholesale Corporation, Hewlett-Packard | | |
| 28 PS & | | | |
| P AW | | | |
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| 1 | Company, CircuitCity.com Inc., Audible, Inc., and Zappos.com, Inc. (collectively, "Defendants"), | |
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| 2 | alleges as follows: | |
| 3 | PARTIES | |
| 4 | 1. Plaintiff Kelora is a Delaware limited liability company with a place of business at | |
| 5 | 19925 Stevens Creek Boulevard, Suite 100, Cupertino, California 95014. | |
| 6 | 2. Defendant Target Corporation is a Minnesota corporation with a place of business | |
| 7 | at 1000 Nicollet Mall, Minneapolis, Minnesota 55403. | |
| 8 | 3. Defendant OfficeMax Incorporated is a Delaware corporation with a place of | |
| 9 | business at 263 Shuman Boulevard, Naperville, Illinois 60563. | |
| 10 | 4. Defendant Rockler Companies, Inc., is a Minnesota corporation with a place of | |
| 11 | business at 4365 Willow Drive, Hamel, Minnesota 55340. | |
| 12 | 5. Defendant 1-800-Flowers.com, Inc., is a Delaware corporation with a place of | |
| 13 | business at One Old Country Road, Suite 500, Carle Place, New York 11514. | |
| 14 | 6. Defendant Amazon.com, Inc., is a Delaware corporation with a place of business | |
| 15 | at 410 Terry Avenue North, Seattle, Washington 98109. | |
| 16 | 7. Defendant Dell, Inc., is a Delaware corporation with a place of business at One | |
| 17 | Dell Way, Round Rock, Texas 78682. | |
| 18 | 8. Defendant Office Depot, Inc., is a Delaware corporation with a place of business at | |
| 19 | 6600 North Military Trail, Boca Raton, Florida 33496. | |
| 20 | 9. Defendant Newegg Inc. is a Delaware corporation with a place of business at | |
| 21 | 16839 East Gale Avenue, City of Industry, California 91745. | |
| 22 | 10. Defendant Costco Wholesale Corporation is a Washington corporation with a | |
| 23 | place of business at 999 Lake Drive, Issaquah, Washington 98027. | |
| 24 | 11. Defendant Hewlett-Packard Company is a Delaware corporation with a place of | |
| 25 | business at 3000 Hanover Street, Palo Alto, California 94304. | |
| 26 | 12. Defendant CircuitCity.com Inc. is a Delaware corporation with a place of business | |
| 27 | at 7795 W. Flagler St., Miami, Florida 33144. | |
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| 1 | 13. Defendant Audible, Inc., is a Delaware corporation having a place of business at | |
| 2 | One Washington Park, Newark, New Jersey 07102. | |
| 3 | 14. Defendant Zappos.com, Inc., is a Delaware corporation having a place of business | |
| 4 | at 2280 Corporate Circle, Henderson, Nevada 89074. | |
| 5 | JURISDICTION | |
| 6 | 15. This is an action for patent infringement, arising under the patent laws of the | |
| 7 | United States, Title 35 of the United States Code, Sections 271 and 281 through 285. This Court | |
| 8 | has jurisdiction over the subject matter of this action pursuant to Title 28 of the United States | |
| 9 | Code, Sections 1338(a) and 1331. | |
| 10 | 16. Defendants are subject to personal jurisdiction in this Court. | |
| 11 | <u>VENUE</u> | |
| 12 | 17. Venue is proper in this District under Title 28 of the United States Code, Sections | |
| 13 | 1391(b), (c) and (d), and 1400(b). | |
| 14 | BACKGROUND | |
| 15 | 18. Kelora is the owner by assignment of all right, title and interest in U.S. Patent No. | |
| 16 | 6,275,821 ("'821 patent"), entitled, "Method and system for executing a guided parametric | |
| 17 | search," which was duly and properly issued by the U.S. Patent & Trademark Office on August | |
| 18 | 14, 2001. A true and correct copy of the '821 patent is attached as Exhibit A. | |
| 19 | 19. A reexamination certificate for the '821 patent was duly and properly issued by the | |
| 20 | U.S. Patent & Trademark Office on November 2, 2010. A true and correct copy of the | |
| 21 | reexamination certificate for the '821 patent is attached as Exhibit B. | |
| 22 | CLAIM FOR RELIEF | |
| 23 | INFRINGEMENT OF U.S. PATENT NO. 6,275,821 | |
| 24 | 20. Kelora incorporates the foregoing Paragraphs 1 through 19 as though fully set | |
| 25 | forth herein. | |
| 26 | 21. Defendants, and each of them, have infringed and continue to infringe the '821 | |
| 27 | patent by, inter alia, making and using parametric search systems, including web-based | |
| 28 | parametric search systems, and performing parametric searches that infringe the '821 patent. | |
| .PS & .P .AW | 3 | |
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22. By reason of the acts of Defendants alleged herein, Kelora has suffered damage in
 an amount to be proved at trial.

23. Defendants threaten to continue to engage in the acts complained of herein and,
unless restrained and enjoined, will continue to do so, all to Kelora's irreparable injury. It would
be difficult to ascertain the amount of compensation that would afford Kelora adequate relief for
such future and continuing acts, and a multiplicity of judicial proceedings would be required.
Kelora does not have an adequate remedy at law to compensate it for the injuries threatened.

PRAYER FOR RELIEF

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WHEREFORE, Kelora demands judgment as follows:

A. That Defendants and their parents, affiliates, subsidiaries, officers, agents,
servants, employees, attorneys, successors, and assigns, and all those persons in active concert or
participation with them, or any of them, be preliminarily and permanently enjoined and restrained
from making, importing, using, offering for sale, selling, or causing to be sold any product or
service falling within, or designed to conduct a method falling within, the scope of any claim of
the '821 patent, or otherwise infringing or contributing to or inducing infringement of any claim
of the '821 patent;

B. That Defendants and their parents, affiliates, subsidiaries, officers, agents,
servants, employees, attorneys, successors, and assigns, and all those persons in active concert or
participation with them, or any of them, be ordered to destroy or offer up to Kelora for destruction
any and all products or services within the scope of any claim of the '821 patent that are within
Defendants' possession, custody, or control;

C. That Kelora be awarded its actual damages, including lost profits and price
erosion, but in no case less than a reasonable royalty, to be assessed by or under the Court's
discretion, adequate to compensate Kelora for Defendants' infringement of the '821 patent;

D. That Kelora be awarded pre-judgment interest and post-judgment interest at the
maximum rate allowed by law;

E. That the Court order an accounting for damages;

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F.

That the Court declare this to be an exceptional case pursuant to 35 U.S.C.

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| 1 | Section 285 and award Kelora its attorneys' fees; | |
| 2 | G. That the Court award enhanced damages pursuant to 35 U.S.C. Section 284 due to | |
| 3 | the willful and wanton nature of Defendants' infringement of the '821 patent; | |
| 4 | H. That Kelora be awarded costs of court; and | |
| 5 | I. That Kelora be awarded such other and further relief as the Court deems just and | |
| 6 | proper. | |
| 7 | DEMAND FOR A JURY TRIAL | |
| 8 | Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Kelora demands a trial by | |
| 9 | jury on all issues triable of right by a jury. | |
| 10 | DATED: August 12, 2011 | |
| 11 | Respectfully submitted, | |
| 12 | MANATT, PHELPS & PHILLIPS, LLP | |
| 13 | | |
| 14 | By: <u>/s/ Robert D. Becker</u> Robert D. Becker | |
| 15 | Robert D. Becker Ronald S. Katz Shawn G. Hansen | |
| 16 | Silawii G. Haliseli | |
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| 28 Manatt, Phelps & | | |
| MANATT, PHELPS & PHILLIPS, LLP Attorneys At Law Palo Alto | 5 | |

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| 3 | CERTIFICATE OF SERVICE The undersigned hereby certifies that on August 12, 2011, all counsel of record who are |
| 4 | deemed to have consented to electronic service are being served, via the Court's CM/ECF system |
| 5 | pursuant to Civil L.R. 5-4 and General Order 45, with a copy of the foregoing SECOND |
| 6 | AMENDED COMPLAINT FOR PATENT INFRINGEMENT. |
| 7 | |
| 8 | By: /s/ Robert D. Backer |
| 9 | By: <u>/s/ Robert D. Becker</u> Robert D. Becker |
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