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# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON

SEIKO EPSON CORPORATION, a Japan corporation; EPSON AMERICA, INC., a California corporation; and EPSON PORTLAND INC., an Oregon corporation,

Plaintiffs,

V.

ABACUS 24-7 LLC, an Arizona limited liability company; EFORCITY CORPORATION, dba EFORCITY.COM, a California corporation; R&L IMAGING GROUP, INC., formerly known as IEM CONSUMABLES, INC., a California corporation; XP SOLUTIONS, LLC, dba CLICKINKS.COM, a Florida limited liability

Civil No. Civil No. 09-477-BR

FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

**DEMAND FOR JURY TRIAL** 

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company; CLICKINKS.COM, LLC, a Florida limited liability company; GLOBAL BUSINESS SUPPORT SYSTEMS, INC., dba PRINTCOUNTRY.COM, a Delaware corporation; GREEN PROJECT, INC., a California corporation; and JOSEPH WU, an individual,

Defendants.

Plaintiffs Seiko Epson Corporation, Epson America, Inc., and Epson Portland Inc., for their First Amended Complaint herein, allege as follows:

#### **RELATED ACTIONS**

- 1. This action is related to six legal proceedings, four of which are pending before this Court and are assigned to the Honorable Anna Brown. The related proceedings address one or more of the patents asserted in this case against the same or overlapping groups of products that are accused of infringement in this action. A number of the parties to the related proceedings are the manufacturers and/or suppliers of the accused products to the defendants in this case.
- 2. First, this action is related to *In the Matter of CERTAIN INK CARTRIDGES*AND COMPONENTS THEREOF, Investigation No. 337-TA-565, United States International

  Trade Commission, Washington, D.C. ("ITC"), which has been adjudicated by the ITC in a final determination (Commission Opinion, October 19, 2007) (the "ITC Investigation"). The ITC's final determination was upheld in its entirety in a *per curiam* judgment by the Federal Circuit. *See Ninestar Technology Co., Ltd. et. al. v. International Trade Commission, et. al.*, 2009 WL 68988, No. 2008-1201 (Fed. Cir., Jan. 13, 2009). On June 1, 2009 the United States Supreme Court denied a Petition for Writ of Certiorari for review of the Federal Circuit decision which had been filed by the Ninestar parties (defendants in the 06-236-BR and 06-477-BR cases identified below).
- 3. This action is also related to the patent infringement action *Seiko Epson*Corporation, et al. v. Glory South Software Manufacturing Inc., et al., U.S. District Court Case

  Civil No. 06-236-BR (D. Or.), which is currently pending before this Court.
- 4. This action is further related to the patent infringement action *Seiko Epson*Corporation, et al. v. Glory South Software Manufacturing Inc., et al., U.S. District Court Case

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Civil No. 06-477-BR (D. Or.), which is currently pending before this Court.

- 5. This action is further related to the patent infringement action *Seiko Epson Corporation, et al. v. E-Babylon, Inc., et al.*, U.S. District Court Case Civil No. 07-896-BR (D. Or.), which is currently pending before this Court.
- 6. This action is further related to the patent infringement action *Seiko Epson Corporation, et al. v. Inkjetmadness.com, Inc., et al.*, U.S. District Court Case Civil No. 08-452-BR (D. Or.), which is currently pending before this Court.

## **THE PARTIES**

- 7. Plaintiff Seiko Epson Corporation ("Seiko Epson") is a corporation organized and existing under the laws of Japan. Its principal place of business is located at 3-3-5 Owa Suwa-Shi Nagano-Ken, 392-8502, Japan.
- 8. Plaintiff Epson America, Inc. ("Epson America") is a corporation organized and existing under the laws of the State of California. Its principal place of business is located at 3840 Kilroy Airport Way, Long Beach, California 90806. As the North American sales, marketing and customer service affiliate of Seiko Epson, Epson America is the exclusive licensee of the Epson Patents described below for distributing in the United States Epson ink cartridges that embody the inventions contained in the Epson Patents.
- 9. Plaintiff Epson Portland Inc. ("Epson Portland") is a corporation organized and existing under the laws of the State of Oregon. Its principal place of business is located at 3950 NW Aloclek Place, Hillsboro, Oregon 97124. Epson Portland is the exclusive licensee of the Epson Patents described below for manufacturing in the United States Epson ink cartridges that embody the inventions contained in the Epson Patents. Seiko Epson, Epson America and Epson Portland are sometimes referred to collectively herein as "Epson" or "Plaintiffs."

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- 10. Plaintiffs produce and sell ink cartridges that operate with Epson inkjet printers utilizing Epson's patented technology and designs in the United States and in this judicial district.
- 11. On information and belief, defendant Abacus 24-7 LLC ("Abacus") is a limited liability company organized and existing under the laws of the State of Arizona. On information and belief, its principal place of business is located at 2990 E. Northern Ave., Suite C103, Phoenix, Arizona 85028. On information and belief, Abacus does business on-line through at least its website *abacus24-7.com*. In addition, on information and belief, Abacus does business on-line as "InkjetShopper," through at least its website *inkjetshopper.com*.
- 12. On information and belief, defendant eForCity Corporation ("eForCity") is a corporation organized and existing under the laws of the State of California. On information and belief, its principal place of business is located at 12339 Denholm Dr., El Monte, California 91732. On information and belief, eForCity does business on-line as "eForCity.com," through at least its website *eforcity.com*.
- On information and belief, defendant R&L Imaging Group, Inc. ("R&L") is a corporation organized and existing under the laws of the State of California. On information and belief, its principal place of business is located at 17531 Railroad St., Suite H, City of Industry, California 91748. On information and belief, R&L was formerly known as IEM Consumables, Inc. ("IEM").
- 14. On information and belief, defendant XP Solutions, LLC ("XP") is a limited liability company organized and existing under the laws of the State of Florida. On information and belief, its principal place of business is located at 107 Commerce St., Lake Mary, Florida 32746. On information and belief, XP does business on-line as "Clickinks.com," through at least its website *clickinks.com*.

- 15. On information and belief, defendant Clickinks.com, LLC ("Clickinks") is a limited liability company organized and existing under the laws of the State of Florida. On information and belief, its principal place of business is located at 107 Commerce St., Lake Mary, Florida 32746. On information and belief, Clickinks is owned by XP. On information and belief, Clickinks does business on-line as "Clickinks.com," through at least its website *clickinks.com*.
- On information and belief, defendant Global Business Support Systems, Inc. is a corporation organized and existing under the laws of the State of Delaware. On information and belief, its principal place of business is located at 5663 Balboa Ave., Suite 430, San Diego, California 92111. On information and belief, Global Business Support Systems, Inc. also does business at 9520 Chesapeake Dr., Suite 601, San Diego, California 92123. On information and belief, it does business on-line as "printcountry.com," through at least its website *printcountry.com*. Global Business Support Systems, Inc. is referred to herein as "PrintCountry."
- 17. On information and belief, defendant Green Project, Inc. ("Green Project") is a corporation organized and existing under the laws of the State of California. On information and belief, its principal place of business is located at 15335 Don Julian Rd., Hacienda Heights, California 91745.
- 18. For purposes of simplicity, the defendants listed in ¶¶ 11-17 are sometimes referred to collectively herein as "the Corporate Defendants."
- 19. On information and belief, defendant Joseph Wu is an individual residing in the State of California.
- 20. For purposes of simplicity, the defendants listed in ¶¶ 11-19 are sometimes referred to collectively herein as "Defendants."

#### **JURISDICTION AND VENUE**

- This action arises under the patent laws of the United States, 35 U.S.C. § 271. This Court has jurisdiction over the action pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- Venue is proper in this district under 28 U.S.C. §§ 1391(b)-(d) and 1400(b). Defendants have committed acts of infringement in this judicial district; and defendants reside in this judicial district.

# CLAIM FOR RELIEF (Patent Infringement—35 U.S.C. § 271)

- 23. Epson incorporates by reference each and every allegation contained in Paragraphs 1 through 22 as though fully set forth at length.
- Epson owns all right, title, and interest in, including the right to sue thereon and the right to recover for infringement thereof, United States Patent No. 5,615,957 (the "'957 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on April 1, 1997; United States Patent No. 5,622,439 (the "'439 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on April 22, 1997; United States Patent No. 5,158,377 (the "'377 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on October 27, 1992; United States Patent No. 5,221,148 (the "'148 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on June 22, 1993; United States Patent No. 5,488,401 (the "'401 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on January 30, 1996; United States Patent No. 6,502,917 (the "'917 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on January 7, 2003; United States Patent No. 7,008,053 (the "'053 patent"), which was duly and legally issued to Seiko Epson by

the United States Patent and Trademark Office on March 7, 2006; United States Patent No. 7,011,397 (the "'397 patent"'), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on March 14, 2006; United States Patent No. 6,193,364 (the "'364 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on February 27, 2001; United States Patent No. 6,550,901 (the "'901 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on April 22, 2003; United States Patent No. 6,916,089 (the "'089 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on July 12, 2005; United States Patent No. 6,948,804 (the "804 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on September 27, 2005; United States Patent No. 7,018,030 (the "'030 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on March 28, 2006; United States Patent No. 7,152,965 (the "'965 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on December 26, 2006; United States Patent No. 6,834,945 (the "'945 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on December 28, 2004; United States Patent No. 6,832,830 (the "'830 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on December 21, 2004; and United States Patent No. 7,125,100 (the "100 patent"), which was duly and legally issued to Seiko Epson by the United States Patent and Trademark Office on October 24, 2006. The '957, '439, '377, '148, '401, '917, '053, '397, '364, '901, '089, '804, '030, '965, '945, '830 and '100 patents (collectively, the "Epson Patents") all relate generally to ink cartridges for printers.

25. On information and belief, the Corporate Defendants have infringed and are PAGE 8 – FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT

infringing the Epson Patents, as defined by numerous claims of these patents, by making, using, importing, offering to sell, and selling in this judicial district and elsewhere aftermarket ink cartridges that operate with Epson inkjet printers. Specifically, the Corporate Defendants have infringed and are infringing at least the following Epson Patents (and further investigation and discovery may reveal infringement of other Epson Patents):

- a. Defendant Abacus has infringed and is infringing the '957, '439, '917, '053,'397 and '030 patents.
- b. Defendant eForCity has infringed and is infringing the '957, '439, '377, '148, '401, '917, '053, '364, '901, '089, '804, '030, '945, '965 and '830 patents.
- c. Defendant R&L has infringed and is infringing the '957, '439, '377,'148, '401, '917, '053, '397 and '030 patents.
- d. Defendant XP has infringed and is infringing the '957, '439, '377, '148, '401, '917, '053, '397, '364, '901, '089, '804, '030, '945, '965 and '830 patents.
- e. Defendant Clickinks has infringed and is infringing the '957, '439, '377, '148, '401, '917, '053, '397, '364, '901, '089, '804, '030, '945, '965 and '830 patents.
- f. Defendant PrintCountry has infringed and is infringing the '957, '439, '401, '917, '053, '397, '364, '901, '089, '804, '030, '945, '965, '830 and '100 patents.
- g. Defendant Green Project has infringed and is infringing the '917, '053 and '397 patents.
- 26. On information and belief, the Corporate Defendants have and are actively, knowingly and intentionally aiding and abetting and inducing infringement of the Epson Patents by co-defendants and non-parties, despite their knowledge of the Epson Patents and of the ITC's adjudication of validity and infringement of the Epson Patents asserted in the ITC Investigation.

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- 27. On information and belief, defendant Joseph Wu has been and is actively, knowingly and intentionally aiding and abetting and inducing infringement of the Epson Patents by co-defendants and non-parties, despite his knowledge of the Epson Patents and of the ITC's adjudication of validity and infringement of the Epson Patents asserted in the ITC Investigation.

  Joseph Wu has induced or is inducing infringement of the Epson Patents in at least the following ways:
  - a. On information and belief, Joseph Wu incorporated defendant IEM (now known as R&L) in early 2006 and was the initial agent for service of process. On information and belief, Joseph Wu was the Accounts Director and Secretary for IEM, and was also the main contact and spokesperson for IEM. Further, on information and belief, Joseph Wu was involved in IEM's manufacture, importation, offer for sale, and/or sale in this judicial district and elsewhere of infringing aftermarket ink cartridges that operate with Epson inkjet printers. In addition, on information and belief, Joseph Wu was aware of the Epson Patents during his involvement in the infringing acts of IEM.
  - b. On information and belief, Joseph Wu is the current President, Chief Executive Officer and spokesperson of defendant Green Project. In addition, until at least May 12, 2009, Joseph Wu was the agent for service of process for Green Project. At some point between May 12, 2009 and May 28, 2009, after the Complaint in this case was filed, the agent for service of process for Green Project was changed to Frank W. Chen. Further, on information and belief, Joseph Wu is involved in Green Project's manufacture, importation, offer for sale, and/or sale in this judicial district and elsewhere of infringing aftermarket ink cartridges that operate with Epson inkjet printers. In addition, on information and belief, Joseph Wu was aware of the Epson Patents during his involvement

in the infringing acts of Green Project.

- 28. On information and belief, one or more Defendants are contributing to the infringement of the Epson Patents by non-parties by offering to sell or selling within the United States or importing into the United States components of the patented inventions set forth in the Epson Patents. The components constitute a material part of the inventions. Defendants know that such components are especially made or especially adapted for use in an infringement of the Epson Patents. The components are not a staple article or commodity of commerce suitable for substantial noninfringing use.
- 29. By reason of Defendants' infringing activities, Epson has suffered, and will continue to suffer, substantial damages in an amount to be proven at trial.
- 30. Defendants' acts complained of herein have damaged and will continue to damage Epson irreparably. Epson has no adequate remedy at law for these wrongs and injuries. Epson is therefore entitled to a preliminary and permanent injunction restraining and enjoining Defendants and their agents, servants, and employees, and all persons acting thereunder, in concert with, or on their behalf, from infringing the claims of the Epson Patents.
- 31. Defendants are not licensed or otherwise authorized to make, use, import, sell, or offer to sell any ink cartridge or process/method claimed in the Epson Patents, and Defendants' conduct is, in every instance, without Epson's consent.
- 32. On information and belief, Defendants' infringement has been and continues to be willful.

#### PRAYER FOR RELIEF

WHEREFORE, Epson prays judgment against Defendants as follows:

- A. That the Epson Patents are valid and enforceable;
- B. That Defendants have infringed and are infringing the Epson Patents;
- C. That such infringement is willful;
- D. That Defendants and their subsidiaries, affiliates, parents, successors, assigns, officers, agents, representatives, servants, and employees, and all persons in active concert or participation with them, be preliminarily and permanently enjoined from continued infringement of the Epson Patents;
- E. That Defendants be ordered to pay Epson its damages caused by Defendants' infringement of the Epson Patents and that such damages be trebled, together with interest thereon;
- F. That this case be declared exceptional pursuant to 35 U.S.C. §285 and that Epson be awarded its reasonable attorneys' fees and costs; and
  - G. That Epson have such other and further relief as the Court deems just and proper.

#### **JURY TRIAL DEMAND**

Pursuant to Fed. R. Civ. P. 38(b), Plaintiffs request a trial by jury of all issues so triable.

DATED: June 18, 2009 SCHWABE, WILLIAMSON & WYATT, P.C.

By: s/ David W. Axelrod

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#### **CERTIFICATE OF SERVICE**

I hereby certify that on the 18th day of June, 2009, I served the foregoing PLAINTIFFS'

FIRST AMENDED COMPLAINT on the following persons:

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by first class mail.

s/ David W. Axelrod
David W. Axelrod