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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

GB II CORPORATION, dba COLUMBIA RIVER KNIFE & TOOL COMPANY an Oregon corporation,

Plaintiff,

v.

COMPLAINT FOR A
DECLARATORY JUDGMENT
OF PATENT NON-INFRINGEMENT
AND INVALIDITY

GREAT AMERICAN TOOL COMPANY, INC.

a New York corporation,

Defendant.

DEMAND FOR JURY TRIAL

Civil No. ____

Plaintiff GB II Corporation, dba Columbia River Knife & Tool Company ("CRKT"), by and through its undersigned counsel, respectfully makes the following allegations for its Complaint against Defendant Great American Tool Company, Inc. ("GATCO"). These allegations are made upon knowledge with respect to Plaintiff CRKT and its own acts, and upon information and belief as to all other matters.

PARTIES

- CRKT is an Oregon corporation having its principal place of business in Wilsonville, Oregon.
- 2. Defendant GATCO is a New York corporation having its principal place of business at 665 Hertel Avenue, Buffalo, New York, 14207.

JURISDICTION

- 3. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1338 and 2201–2202.
- 4. GATCO has asserted that GATCO owns U.S. Patent No. 7,086,157 ("the '157 patent") and that CRKT infringes the '157 patent. The '157 patent issued on August 8, 2006 and lists on its face an Oregon resident, Alney K. Vallotton, as "inventor." A copy of the '157 patent is attached hereto as Exhibit A.
- 5. In light of its contacts with Oregon, GATCO is subject to the personal jurisdiction of this Court.
- 6. Among other things, GATCO operates an interactive website through which it offers for sale, takes orders and sells knives GATCO contends are of a design protected by the '157 patent. By and through that website, GATCO does business in Oregon, including in knives GATCO contends are of a design protected by the '157 patent.

- 7. GATCO has sought to and does conduct regular business in Oregon, including by attending trade shows located in Oregon and selling its products to distributors and retailers located in Oregon and/or who sell GATCO's products in Oregon.
- 8. GATCO has contracted with an Oregon resident, Alney K. Vallotton, to design knives and obtain any rights he may have had in the '157 patent.
- 9. GATCO has threatened to sue and sued CRKT because GATCO contends that certain of CRKT's knife designs infringe the '157 patent.
 - 10. CRKT has denied to GATCO that the '157 patent is either valid or infringed.
- 11. Despite lengthy explanations to GATCO about CRKT's non-infringement of the '157 patent and the invalidity of that patent, GATCO has continued to demand a royalty from CRKT for the '157 patent.
- 12. GATCO has directed its demands related to the '157 patent to CRKT, an Oregon corporation, and to CRKT in Oregon.
- 13. Actions by GATCO have caused and created an actual, immediate and substantial controversy between the parties, regarding the issues of non-infringement and invalidity of the '157 patent.
 - 14. Pursuant to 28 U.S.C. § 1391, this Court is a proper venue for this action.

COUNT ONE – PATENT NON-INFRINGEMENT

- 15. CRKT incorporates the allegations stated in Paragraphs 1-14 as if fully set forth herein.
- 16. CRKT has never infringed and does not infringe the '157 patent directly or indirectly.
 - 17. CRKT will suffer irreparable damage due to the infringement allegations made by

GATCO, unless GATCO is enjoined by this Court from those acts.

18. CRKT is entitled to a declaration that it does not infringe and has not infringed any valid claim of the '157 patent.

COUNT TWO – PATENT INVALIDITY

- 19. CRKT incorporates the allegations stated in Paragraphs 1-18 as if fully set forth herein.
- 20. The '157 patent is invalid pursuant to one or more of 35 U.S.C. §§ 102, 103 and 112.

PRAYER FOR RELIEF

WHEREFORE, CRKT requests:

- A. a declaration that CRKT has not infringed any valid claim of the '157 patent;
- B. a declaration that GATCO and each of its officers, employees, agents, alter egos, attorneys, and any persons in active concert or participation with them be restrained and enjoined from prosecuting or instituting any action against CRKT claiming that the '157 patent is infringed, or from representing that the products or services provided by CRKT, or use of those products or services by others, infringe the '157 patent.
 - C. an award to CRKT of reasonable attorneys' fees under 35 U.S.C. § 285; and
 - D. such other relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Pursuant to Fed. R. Civ. P. 38 and Local Rule 38.1(b), Plaintiff CRKT demands a jury trial on all issues triable to a jury.

Respectfully submitted,

KLARQUIST SPARKMAN, LLP

Dated: November 5, 2007

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By:

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