

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

SERCONET, LTD.	§	
	§	
Plaintiff	§	
	§	
v.	§	CIVIL ACTION FILE
	§	NO. <u>06-CV-5026(JSR)</u>
NETGEAR, INC.	§	
	§	
Defendant	§	JURY TRIAL DEMANDED
	§	

COMPLAINT

COMES NOW, SercoNet, Ltd. by and through its undersigned counsel and files its Complaint against the above-named Defendant, and for its cause of action states:

PARTIES

1. Plaintiff, SercoNet, Ltd. ("SercoNet") is a foreign corporation organized under the laws of Israel. The founder and Managing Director of SercoNet is Yehuda Binder, who is a citizen of Israel. SercoNet's affairs and operations are conducted primarily through a management team and governing board located principally in Israel.
2. Defendant, Netgear, Inc. ("Netgear") is a corporate entity organized under the laws of the State of Delaware. Netgear has its principal place of business in Santa Clara, California and can be served with the summons and complaint by service upon its registered agent, CT Corporation System, 818 West Seventh Street, Los Angeles, California 90017.
3. Netgear advertises, promotes, markets, sells and offers for sale home networking devices, including the devices accused of patent infringement herein, to consumers in the State of New York, including this judicial district. Netgear also advertises, promotes, markets, sells and offers

for sale modems, ProSafe ports, Ethernet bridges and switches, and routers, including the devices accused of patent infringement herein, to resellers and distributors for purposes of resale to consumers in the State of New York, including this judicial district. Netgear knows or has reason to know that some of the customers who purchase and ultimately use the devices accused of patent infringement in this case reside in this judicial district.

JURISDICTION AND VENUE

4. This is an action for patent infringement arising under the provisions of the Patent Laws of the United States of America, Title 35, United States Code. This court has subject matter jurisdiction over SercoNet's claims of patent infringement pursuant to 28 U.S.C. § 1331 and 28 U.S.C. § 1338 (a).

5. This Court has personal jurisdiction over Netgear because, among other things, Netgear has engaged in the specific transaction of business in the State of New York, including advertising, promoting, selling and offering for sale products that infringe the patent-in-suit as described more particularly herein. Moreover, Netgear generally conducts business in New York so as to render it amenable to general jurisdiction. Because Netgear avails itself of the privilege of doing business in New York, the exercise of personal jurisdiction over Netgear is fair and reasonable.

6. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and (c) and §1400(b).

BACKGROUND

7. SercoNet has been in the business of manufacturing and selling high quality, low-cost computer networking products in the United States and throughout the world since 1998. Since its inception, SercoNet has invested resources in the conception, development and improvement

of home networking devices for, among other things, implementing, improving and/or extending the coverage range of home networks.

8. SercoNet is the owner of all rights, title and interest in United States Patent Nos. 5,841,360, 6,480,510, 6,970,538, 7,016,368 and 7,035,280 ("the '360, '510, '538, '368 and '280 patents" or "the SercoNet patents"), which disclose and claim various network topologies, outlets and devices.

9. Netgear manufactures and sells numerous telecommunications devices for implementing or otherwise improving home networks. At least forty-five (45) of Netgear's products infringe one or more claims of the SercoNet patents.

10. The chart attached hereto as Exhibit A identifies the asserted claims of each SercoNet patent, as well as the corresponding infringing Netgear products.

11. SercoNet has provided Netgear with written notice of infringement of the SercoNet patents and has previously provided Netgear with a copy of Exhibit A for purposes of specifically identifying the infringing Netgear products.

12. Netgear denied infringement of the SercoNet patents and continues to manufacture and sell numerous devices that infringe one or more claims of the SercoNet patents.

COUNT I—PATENT INFRINGEMENT

13. SercoNet incorporates by reference the allegations of paragraphs 1-12 of this Complaint as if restated in full herein.

14. Netgear infringes one or more claims of the SercoNet patents literally or under the Doctrine of Equivalents by manufacturing, advertising, promoting, selling, offering for sale and distributing products that infringe at least one claim of one or more SercoNet patents.

15. SercoNet has been damaged as a result of the Defendant's acts of patent infringement,

and will continue to be damaged unless such activities are enjoined by this Court.

16. As a result of these acts of patent infringement, SercoNet is entitled to recover damages from the Defendant, amounting to at least a reasonable royalty.

PRAYER FOR RELIEF

WHEREFORE, SercoNet prays for trial by jury, judgment and relief after entry of final verdict, including:

1. A judgment that the Defendant has infringed at least one claim of one or more of the SercoNet patents.
2. An injunction against the Defendant's continued infringement of the SercoNet patents pursuant to 35 U.S.C. § 283.
3. An award of damages resulting from Defendant's acts of patent infringement.
4. An assessment of interest on the damages so computed.
5. A declaration that this case is exceptional pursuant to 35 U.S.C. § 285, and an award of SercoNet's attorney's fees and costs incurred.
6. Such other and further relief as this Court deems just and appropriate.

DEMAND FOR JURY TRIAL

SercoNet demands trial by jury on all claims and issues so triable.

This 28th day of June, 2006.

Respectfully submitted,

/s/ Paul Batista

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