

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA  
NEW ALBANY DIVISION  
CIVIL ACTION NO. 4:07-CV-0084**

**ELECTRONICALLY FILED**

LAUTZENHISER TECHNOLOGIES, LLC

PLAINTIFF

v.

SUNRISE MEDICAL HHG, INC., d/b/a  
QUICKIE DESIGNS INC., SUNRISE MEDICAL INC.,  
PG DRIVES TECHNOLOGY, INC. and  
DELPHI MEDICAL SYSTEMS CORPORATION

DEFENDANTS

**SECOND AMENDED COMPLAINT FOR PATENT INFRINGEMENT**

1. Plaintiff, Lautzenhiser Technologies, LLC (“LAUTZENHISER”), an Indiana Limited Liability Company, by and through its attorneys, hereby demands a jury trial and complains of Defendants Sunrise Medical HHG, Inc., dba Quickie Designs Inc., Sunrise Medical Inc. (collectively, “Sunrise”), PG Drives Technology, Inc. (“PG Drives”) and Delphi Medical Systems Corporation (“Delphi”) (Sunrise, PG Drives, and Delphi are collectively “Defendants”) as follows:

**NATURE OF THE ACTION**

2. This is a civil action for patent infringement, injunctive relief, and damages arising under the United States Patent Act, 35 U.S.C. §§ 1, et seq., to enjoin infringement and obtain damages resulting from Defendants’ unauthorized manufacture, use, sale, offer to sell and/or importation into the United States for subsequent use or sale of products, methods, processes, services and/or systems that infringe one of more claims of United States Patent No.

4,906,906, John and Lloyd Lautzenhiser, (the “‘906 Patent”)(attached as Exhibit A) entitled “Conveyance With Electronic Control for Left and Right Motors”, United States Patent No. 4,978,899, John and Lloyd Lautzenhiser, (the “‘899 Patent”)(attached as Exhibit B) entitled “Conveyance With Electronic Controls for Motors”, United States Patent No. 5,635,807, John Lautzenhiser, (the “‘807 Patent”)(attached as Exhibit C) entitled “Electronic Controls For Linear and Rotary Actuators”, United States Patent No. 6,426,600, John and Lloyd Lautzenhiser, (the “‘600 Patent”)(attached as Exhibit D) entitled “Proportional Actuator Control Of Apparatus”, and United States Patent No. 5,270,624, John Lautzenhiser, (the “‘624 Patent”)(attached as Exhibit E) entitled “Apparatus and Method For Enhancing Torque Of Power Wheelchair”, collectively the “Lautzenhiser Patents” or the “patents-in-suit.” LAUTZENHISER seeks injunctive relief to prevent Defendants from continuing to infringe the Lautzenhiser Patents. In addition, Plaintiff seeks a recovery of monetary damages resulting from Defendants’ past infringement of these patents.

3. This action for patent infringement involves Defendants’ manufacture, use, sale, offer to sell and/or importation into the United States of products, methods, processes, services and systems that are primarily used or primarily adapted for use in mobility products, including motorized conveyances such as powered wheelchairs and powered scooters that infringe the Lautzenhiser patents. Particular examples of infringement are set forth below.

### **THE PARTIES**

4. Plaintiff LAUTZENHISER is a Limited Liability Company organized and existing under the laws of Indiana, with a principal place of business located at 5922 County Road 4, Hamilton, Indiana, 46742. Four of the five members that make up LAUTZENHISER,

John, Gary and Steve Lautzenhiser and Elizabeth Gilbert, live in Indiana and the fifth member, Lloyd Lautzenhiser, is an Indiana native and currently a Nevada resident, collectively in whole or in part the “Lautzenhisers.”

5. Plaintiff LAUTZENHISER is the lawful assignee of all right, title and interest in and to the Lautzenhiser Patents, including rights to sue for acts of past and future infringement.

6. From 1986 through the present, Plaintiff LAUTZENHISER, through sister entities owned and operated by the Lautzenhisers, namely, Global Research LTD of Canada, Global Research, Inc. of Indiana, Global Research LTD of Indiana and Magitek.com, L.L.C. (collectively “Global Research”), has been actively involved in the mobility industry and has designed and developed mobility products in the United States and Canada. Products designed and developed by the Lautzenhisers include power wheelchairs and electronic controls to operate powered wheelchairs and other conveyances. Based on its designs, Global Research operated primarily in Indiana and manufactured, marketed and sold power wheelchair products (the “Global Research Products”) throughout the United States. Inventions born from Global Research’s design and development efforts are the subject of the Lautzenhiser Patents as well as additional patents, including foreign patents, issued to the Lautzenhisers. To date the U.S. Patent Office has issued 28 separate patents to John, Lloyd, and Gary Lautzenhiser. Ten of the Lautzenhisers’ 28 issued U.S. patents, including the patents-in-suit, relate to advancements in the mobility industry and conveyances in general.

7. The Lautzenhisers’ inventions are widely recognized in the mobility industry and have been the subjects of numerous awards and accolades. For example, the Lautzenhisers were awarded the prestigious Innovation of the Year Award at the 2000 MedTrade Convention.

Exceptional Parent EP Magazine awarded the Lautzenhisers its *Symbol of Excellence Award* citing the Lautzenhisers' designs and products as "outstanding, innovative and creative." The Intellectual Property Owners Association ("IPO") recognized John Lautzenhiser as finalist for its prestigious IPO Inventor of the Year Award for 2002. Also, for example, the Lautzenhisers have been recognized by the Mayo Clinic for their contributions in helping to make life more enjoyable and beneficial for many disabled or challenged individuals.

8. LAUTZENHISER is informed and believes, and on that basis alleges, as follows. Sunrise Medical Inc. ("SMI") is a corporation incorporated under the laws of Delaware, with a principal place of business at 7477 Dry Creek Parkway, Longmont, Colorado 80503. SMI was incorporated in 1983 and traded publicly on the New York Stock Exchange under the ticker symbol "SMD" at least into the year 2000. SMI is a worldwide manufacturer and marketer of medical products and assistive technology devices that address the recovery, rehabilitation and respiratory needs of patients in institutional and homecare settings. Included in SMI's principal product lines are custom manual and power wheelchairs and related seating and positioning systems ("SMI mobility products"), which have historically comprised over 40% of SMI's revenues. SMI introduced and shipped its first U.S. made power wheelchair, the P-300, in 1990.

9. LAUTZENHISER is informed and believes, and on that basis further alleges, as follows. SMI has a North American rehabilitation distribution organization that distributes SMI's mobility products throughout the United States, including through its Indianapolis, Indiana Distribution Center located in this district at 7550 Zionsville Road, Indianapolis, Indiana 46368. SMI has a nationwide sales force that sells its mobility products throughout the U.S., including Indiana, to independent homecare providers and dealers in retail settings. SMI exports its line of SMI mobility products outside the United States.

10. LAUTZENHISER is informed and believes, and on that basis alleges, as follows. Sunrise Medical HHG, Inc. (“Sunrise HHG”), is a California corporation and a wholly owned subsidiary of SMI. Sunrise HHG does business as one or more of Quickie Designs, Quickie Designs Inc., Sunrise Medical/Quickie Designs, Inc., and Sunrise Medical Mobility Products. Sunrise HHG has a principal place of business at 7477 East Dry Creek Parkway, Longmont, Colorado 80503.

11. LAUTZENHISER is informed and believes, and on that basis alleges, as follows. PG Drives Technology, Inc. (“PG Drives”), is a Delaware corporation with a principal place of business at 2532 East Cerritos Ave, Anaheim, CA 92806. According to its web-site, PG Drives is the world’s leading manufacturer for controllers of powered wheelchairs and mobility scooters. Upon information and belief, PG Drives designs and manufactures controllers for SMI, who sells its products utilizing PG Drives’ controllers through its Indianapolis, Indiana Distribution Center located in this district at 7550 Zionsville Road, Indianapolis, Indiana 46368.

12. LAUTZENHISER is informed and believes, and on that basis alleges, as follows. Delphi Medical Systems corporation (“Delphi”), is a Delaware corporation with a principal place of business at 5725 Delphi Drive, Troy, MI 48098. Upon information and belief, Delphi designs and manufactures controllers for SMI, who sells its products utilizing Delphi’s controllers through its Indianapolis, Indiana Distribution Center located in this district at 7550 Zionsville Road, Indianapolis, Indiana 46368.

**JURISDICTION AND VENUE**

13. This Court has jurisdiction over the subject matter of this patent infringement action pursuant to the United States Patent Act, 35 U.S.C. §§ 1, et seq., including particularly § 271 et seq., and pursuant to 28 U.S.C. §§ 1331, and 1338(a).

14. Defendants are subject to personal jurisdiction in Indiana because they regularly transact business in this judicial district and division by, among other things, offering infringing products and services, including SMI mobility products, to customers, business affiliates and partners located in this judicial district and division and distributing products through their Indiana distribution facility as discussed in more detail herein. Requiring Defendants to respond to this action will not violate due process. In addition, Defendants have committed acts of direct infringement, contributory infringement, and/or inducement of infringement, of one or more of the claims of each of the Lautzenhiser Patents in this judicial district and division. Defendants are subject to the personal jurisdiction of this Court and are amenable to service of process pursuant to the Indiana long-arm statute, Ind. R. Trial P. 4.4(A) and Fed. R. Civ. P. 4(e).

15. Venue lies in this district pursuant to 28 U.S.C. §§ 1391(b) and (c), and 1400(b) because the Defendants are subject to personal jurisdiction in this district and have infringed the Lautzenhiser Patents in this district.

16. By way of example, and without limitation, Lautzenhiser is informed and believes that Sunrise has an established dealer network of Durable Medical Equipment (“DME”) stores that sell infringing products in the state of Indiana. For instance, Sunrise provides a “Find A

Dealer” page at its website, [www.sunrisemedical.com](http://www.sunrisemedical.com), that lists more than 20 dealers for its infringing Quickie wheelchair products with the PG Drives and Delphi controllers within 50 miles of Indianapolis, Indiana.

### **GENERAL ALLEGATIONS**

17. LAUTZENHISER is the exclusive owner of all right, title, and interest in and to the Lautzenhiser Patents, which are valid and subsisting. The patents-in-suit are directed to improved operation and control of motorized conveyances, including powered wheelchairs and scooters. The patented improvements have particular usefulness in the mobility industry where at the time of the invention there was a great need for a conveyance controllable, such as by a joystick, by operators within a broad range of capabilities, including many with severely diminished capabilities.

18. The ‘906 Patent was duly and legally issued on March 6, 1990.

19. The ‘899 Patent was duly and legally issued on December 18, 1990.

20. The ‘807 Patent was duly and legally issued on June 3, 1997.

21. The ‘600 Patent was duly and legally issued on July 30, 2002.

22. The ‘624 Patent was duly and legally issued on December 14, 1993.

23. LAUTZENHISER has the legal right to enforce the patents in suit against Defendants and the right to sue for past and continuing damages.

24. LAUTZENHISER, through sister entities and licensees, developed, manufactured, and distributed powered wheelchairs and controllers embodying the inventions of

the patents-in-suit. LAUTZENHISER and its sister entities and licensees spent considerable time, effort, and resources developing and promoting products embodying the inventions of the patents-in-suit. LAUTZENHISER and/or its licensees have marked commercial products covered by the claims of the patents-in-suit since no later than 1997.

25. From June of 1998 through 2001, Plaintiff licensed four of the Lautzenhiser Patents, the '899, '906, '807 and '624 patents, to Global Power Systems, Inc. of Ft. Wayne, Indiana, who continued to manufacture, market, and sell throughout the U.S. the Global Research Products. From 2001 through 2006, the '899, '906, '807 and '624 patents were licensed to D&N Manufacturing of Ft. Wayne, Indiana, who manufactured, marketed, and sold the Global Research Products throughout the U.S. From 2001 through the present Magitek.com, Inc. has manufactured, marketed, and sold the products embodying the Lautzenhiser Patented technology throughout the U.S. and abroad and has marked its products with the Lautzenhiser Patents. At least since 1997 through the present, Plaintiff and/or its licensees have marked the Global Research Products and other mobility products with the Lautzenhiser Patents.



**Defendants' Products Infringe LAUTZENHISER's Patents**

26. Upon information and belief, Defendants make, use, import, export, distribute, sell and/or offer for sale products that directly infringe, contributorily infringe, and/or induce others to infringe one or more of the claims of each of the Lautzenhiser Patents in this judicial district and throughout the United States. The infringing Sunrise products include, by way of example but not limitation, powered wheelchairs and scooters having the brand names Quickie, Breezy, Guardian, Aspire, Sopur Power, PowerTek, Cozy Craft, Rhythm, Groove, Sterling, Melody, Aspire, Free Style, Zippie, Z-Bop, IRIS, "G" series, "P" series, "S" series, "V" series, "Z" series, and Xtender Power Assist Add-on, as well as other products that embody the inventions of the patents-in-suit.

27. Upon information and belief, Defendants have ongoing and systematic contacts with this judicial district and division. Defendants have placed products infringing the patents-in-suit in the stream of commerce, knowing and expecting that such products would end up in this judicial district and division. Defendants have also sold other products and provided services associated with the infringing products covered by the claims of the patents-in-suit to consumers in this judicial district and division.

28. Sunrise is using or has used components in infringing products, including motor controllers, manufactured and supplied by Delphi and PG Drives.

**LAUTZENHISER Has Been Irreparably Harmed By Defendants' Continued Infringement**

29. LAUTZENHISER has been irreparably harmed by Defendants' infringement of its valuable patent rights. Moreover, Defendants' unauthorized, infringing use of Plaintiff's patented systems and methods has threatened the value of the intellectual property because Defendants' conduct results in Plaintiff's loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and/or importing the patented inventions.

30. Defendants' disregard for LAUTZENHISER's property rights similarly threatens Plaintiff's relationships with potential and existing licensees of this intellectual property. Defendants derived a competitive advantage over Plaintiff's past licensees and will derive a competitive advantage over any of Plaintiff's future licensees from using Plaintiff's patented technology without paying compensation for such use. Accordingly, unless and until Defendants' continued acts of infringement are enjoined, Plaintiff will suffer irreparable harm for which there is no adequate remedy at law.

**COUNT I**

(Infringement of United States Patent No. 4,906,906)

31. Plaintiff hereby incorporates by reference paragraphs 1 through 30 as if fully restated herein.

32. LAUTZENHISER is the lawful owner of and continues to maintain all right, title and interest in and to the '906 Patent, including the right to sue thereon and the right to recover for infringement thereof.

33. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, one or more of the claims of the '906 Patent.

34. Defendants have been and continue infringing one or more of the claims of the '906 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

35. Upon information and belief, Defendants' infringement of the '906 Patent is willful and deliberate.

36. LAUTZENHISER is entitled to recover damages adequate to compensate LAUTZENHISER for Defendants' infringement.

## **COUNT II**

(Infringement of United States Patent No. 4,978,899)

37. Plaintiff hereby incorporates by reference paragraphs 1 through 36 as if fully restated herein.

38. LAUTZENHISER is the lawful owner of and continues to maintain all right, title and interest in and to the '899 Patent, including the right to sue thereon and the right to recover for infringement thereof.

39. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, one or more of the claims of the '899 Patent.

40. Defendants have been and continue infringing one or more of the claims of the '899 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

41. Upon information and belief, Defendants' infringement of the '899 Patent is willful and deliberate.

42. LAUTZENHISER is entitled to recover damages adequate to compensate for Defendants' infringement.

### **COUNT III**

(Infringement of United States Patent No. 5,635,807)

43. Plaintiff hereby incorporates by reference paragraphs 1 through 42 as if fully restated herein.

44. LAUTZENHISER is the lawful owner of and continues to maintain all right, title and interest in and to the '807 Patent, including the right to sue thereon and the right to recover for infringement thereof.

45. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, one or more of the claims of the '807 Patent.

46. Defendants have been and continue infringing one or more of the claims of the '807 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

47. Upon information and belief, Defendants' infringement of the '807 Patent is willful and deliberate.

48. LAUTZENHISER is entitled to recover damages adequate to compensate for Defendants' infringement.

**COUNT IV**

(Infringement of United States Patent No. 6,426,600)

49. Plaintiff hereby incorporates by reference paragraphs 1 through 48 as if fully restated herein.

50. LAUTZENHISER is the lawful owner of and continues to maintain all right, title and interest in and to the '600 Patent, including the right to sue thereon and the right to recover for infringement thereof.

51. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, one or more of the claims of the '600 Patent.

52. Defendants have been and continue infringing one or more of the claims of the '600 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

53. Upon information and belief, Defendants' infringement of the '600 Patent is willful and deliberate.

54. LAUTZENHISER is entitled to recover damages adequate to compensate for Defendants' infringement.

**COUNT V**

(Infringement of United States Patent No. 5,270,624)

55. Plaintiff hereby incorporates by reference paragraphs 1 through 54 as if fully restated herein.

56. LAUTZENHISER is the lawful owner of and continues to maintain all right, title and interest in and to the '624 Patent, including the right to sue thereon and the right to recover for infringement thereof.

57. Defendants make, use, sell, offer to sell and/or import into the United States for subsequent sale or use products, services, methods or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, or which employ systems, components and/or steps that make use of systems or processes that infringe, directly and/or indirectly, literally or under the doctrine of equivalents, one or more of the claims of the '624 Patent.

58. Defendants have been and continue infringing one or more of the claims of the '624 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm resulting from the loss of its lawful patent rights to exclude others from making, using, selling, offering to sell and importing the patented inventions.

59. Upon information and belief, Defendants' infringement of the '624 Patent is willful and deliberate.

60. LAUTZENHISER is entitled to recover damages adequate to compensate LAUTZENHISER for Defendants' infringement.

### **COUNT VI**

#### (Willful Infringement of the Lautzenhiser Patents)

61. Plaintiff hereby incorporates by reference paragraphs 1 through 60 as if fully restated herein.

62. Defendants have had actual or constructive knowledge of the patents-in-suit since no later than 2001, at which time commercially available products covered by the Lautzenhiser Patents were properly marked pursuant to 35 U.S.C. §287(a). Further, at least Sunrise was previously given notice of the '906 and '899 patents and their applicability to Sunrise's products.

63. Defendants' continued infringement with knowledge of some or all of the patents-in-suit is willful and deliberate and at least for these reasons makes this an exceptional case under 35 U.S.C. §285.

64. LAUTZENHISER is entitled to enhanced damages and reasonable attorneys fees adequate to compensate for Defendants' infringement and other conduct.



**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff prays for judgment against Sunrise Meidcal HHG, Inc., d/b/a Quickie Designs Inc., Sunrise Medical Inc., PG Drives Technology, Inc. and Delphi Medical Systems Corporation as follows and for the following relief:

(A) That this Court adjudge and decree that the '906 Patent is valid and enforceable against Defendants, that the '899 Patent is valid and enforceable against Defendants, that the '807 Patent is valid and enforceable against Defendants, that the '600 Patent is valid and enforceable against Defendants, and that the '624 Patent is valid and enforceable against Defendants;

(B) That Defendants be held to have infringed each and every of the Lautzenhiser Patents;

(C) That Defendants their subsidiaries, affiliates, parents, successors, assigns, officers, agents, servants, employees, attorneys, and all persons acting in concert or in participation with them, or any of them, be temporarily and preliminarily enjoined during the pendency of this action, and permanently enjoined thereafter from infringing, contributing to the infringement of, and inducing infringement of the patent-in-suit, and specifically from directly or indirectly making, using, selling, importing or offering for sale, any products or services embodying the inventions of the patents-in-suit during the life of the claims of the patents-in-suit, without the express written authority of Plaintiff;

(D) That Defendants be directed to give a full accounting, including post verdict accounting, to determine an award to fully compensate LAUTZENHISER for all damages

attributable to Defendants' infringement of the patents-in-suit in an amount consistent with proof at trial and in no event less than a reasonable royalty;

(E) That this case be deemed exceptional and that Plaintiff be awarded reasonable attorney's fees in accordance with 35 U.S.C. §285;

(F) That Defendants' infringement be found to be willful and that all damages awarded be trebled in accordance with 35 U.S.C. §284;

(G) That Defendants be ordered to deliver to Plaintiff, for destruction at Plaintiff's option, all products that infringe the patents-in-suit;

(H) That Defendants be required to account for all gains, profits, advantages, and unjust enrichment derived from its violations of law;

(I) That this Court assess pre-judgment and post-judgment interests and costs against Defendants, together with an award of such interest and costs, in accordance with 35 U.S.C. §284; and

(J) That Plaintiff have such other, further, and different relief as this Court deems proper under the circumstances.

**DEMAND FOR JURY TRIAL**

LAUTZENHISER demands a trial by jury of all matters to which it is entitled to trial by jury pursuant to Fed. R. Civ. P. 38.

Respectfully submitted,

/s/Elisabeth S. Gray

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COUNSEL FOR PLAINTIFF,

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing was filed and served electronically via ECF filing with the U.S. District Court for the Southern District of Indiana, New Albany Division, this 24<sup>th</sup> day of April, 2008 to the following:

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