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8	ATTORNEYS FOR PLAINTIFF	
9	UNITED STATES I	DISTRICT COURT
10	FOR THE DISTRI	CT OF ARIZONA
11	TECHNICAL WITTS, INC, an Arizona	
12	Corporation.,	
13	Plaintiff,	No: CV 04 2025 Pl
14	V.	PLAINTIFFS' SE AMENDED COM
15	SKYNET ELECTRONIC CO., LTD., a foreign corporation; SKYNET	(Assigned to the I
16	ELECTRÓNIC CÓRPORATION, d/b/a Amtek Electronic Co., a	Mary H. Murguia
17	California corporation; SILICÓN VALLEY WORLD TRADE	
18	CORPORATION, d/b/a American Skynet Electronics, a California	
19	Corporation, ADVANCED TECHNICAL SALES, INC., d/b/a	
20	ATS, Inc., a/k/a Tradewise, a Kansas Corporation,	
21	Defendants.	
	Determants.	

No: CV 04 2025 PHX MHM

PLAINTIFFS' SECOND AMENDED COMPLAINT

(Assigned to the Honorable Mary H. Murguia)

Plaintiff Technical Witts, Inc. (hereinafter "Technical Witts"), through undersigned counsel, hereby files its Second Amended Complaint. *Changes are in bold and italics*.

THE PARTIES

Plaintiff Technical Witts, Inc. (hereinafter "Technical Witts") is a corporation 1. organized and existing under the laws of the State of Arizona, with its principal place of business at 3260 S. Gillenwater Drive; Flagstaff, Arizona, U.S.A.

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- 2. Defendant Skynet Electronics Co., Ltd., (hereinafter "Skynet Taiwan") is a foreign corporation with its principal place of business at 4F No. 76 Chen-Kong Road, Section 1; Nan-Kan District Taipei; Taiwan R.O.C., and may be served with this Complaint by service upon its Registered Agent and Board Chairman, J. H. Liang, at its Registered Address, 4th Fl., 76, Chen-Kong Rd., Sec. 1, Nan Kan District, Taipei, Taiwan, R.O.C.
- 3. Upon information and belief, Defendant Skynet Electronic Corporation, d/b/a Amtek Electronic Co. (hereinafter "Amtek") is the American subsidiary for the foregoing foreign corporation, or is an importer and/or distributor of Skynet *Taiwan's products*, with its principal place of business in California.
- Upon information and belief, Defendant Jim Liang (hereinafter "Defendant Liang") and Jane Doe Liang are husband and wife, and reside in Taiwan R.O.C. At all times material to the Complaint, Defendant Liang, if married, acted on behalf of and in furtherance of his marital community with his wife, Jane Doe Liang. The name Jane Doe Liang is a fictitious name used to represent the wife of Defendant Liang until her true identity is discovered. **Defendants Liang have been dismissed from this matter.**
- *5.* Defendant Silicon Valley World Trade Corporation (hereinafter American Skynet Electronics) is a corporation with its principal place of business at 1474 Gladding Court, Milpitas, California 95035 and may be served with this Complaint by service upon its Registered Agent, Ming-Biann Liu, at its Registered Address, 1474 Gladding Court, Milpitas, California 95035. Upon information and belief, American Skynet Electronics is an American subsidiary of Skynet Taiwan, or is an importer and/or distributor of its products, with its principal place of business in California.
- 6. Defendant Advanced Technical Sales, Inc., d/b/a ATS, Inc., a/k/a Tradewise, (hereinafter "ATS, Inc."), is a corporation with its principal place of business at 2012 East Prairie Circle, Suite A, Olathe, Kansas 66062-1268, and may be served with this Complaint by service upon its Registered Agent ,Stephen D.

McGiffert, at its Registered Address, 11000 King, Overland Park, Kansas 66210.

Upon information and belief, ATS, Inc., is an importer and/or distributor of Skynet Taiwan's products, with its principal place of business in Kansas.

7. The true names or capacities, whether individuals, corporations, associations or otherwise of defendants John and Jane Does 1 through 30, XYZ Corporations 1 through 30, ABC Partnerships 1 through 30, and LMN entities 1 through 30, are unknown to Plaintiff, who therefore sues said Defendants by fictitious names. Plaintiff is informed and believes, and thereupon alleges, that each of the Defendants designated herein as such is legally responsible in some manner for the events and happenings herein referred to, and thereby proximately caused injury and damage to Plaintiff as herein alleged. Plaintiff prays for leave to amend this Complaint so as to allege their true names and capacities as ascertained.

JURISDICTION AND VENUE

- 8. Subject matter jurisdiction is proper in this Court pursuant to 28 U.S.C. §§ 1331 and 1338 because this action, at least in part, is for patent infringement and arises under the Patent laws of the United States, Title 35 of the United States Code. Jurisdiction also exists pursuant to 28 U.S.C. § 1332(a) because complete diversity of citizenship exists between the parties and the amount in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs. This Court has jurisdiction over any Arizona state law claims under principles of pendent, ancillary, and supplemental jurisdiction, 28 U.S.C. §§ 1338(b) and 1367(a).
- 9. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b), (d), and 1400(b) because, *inter alia*, one or more of the acts of infringement complained of took place in this district and have had or will have had effect in this judicial district.

GENERAL AVERMENTS

Technical Witts and Background

10. Technical Witts has been a leader in providing product development for power supplies for computers, peripherals and related hardware systems for several years.

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Technical Witts has dedicated substantial resources to remain on the cutting edge of an ever-changing and challenging market.

- 11. To protect its investment in its technology, Technical Witts has procured several patents, some of which relate to pioneering technological developments. Many of Technical Witts' technological developments have been widely recognized, appreciated and embraced by the electronics industry.
- 12. On March 28, 1995, United States Patent No. 5,402,329 (the " `329 Patent") was duly and legally issued to Ernest H. Wittenbreder. Technical Witts is the assignee of all rights in and title to the `329 Patent. A true and correct copy of the `329 Patent is attached as Exhibit A, and incorporated herein by this reference.
- 13. The `329 Patent applies, at least in part, to systems employing power converters adapted to provide zero-voltage switching (e.g., "soft switching") at turn-on and turn-off transitions of the switches therein.

Defendants and the Infringing Activity

- 14. Defendant Liang is **Skynet Taiwan's** Board Chairman **and founder**.
- Defendant Skynet Taiwan, and upon information and belief, the other 15. **Defendants**, engage, have engaged and/or continue to engage in the manufacture and sale of power supplies for a variety of commercial applications.
- 16. As members of the electronics and switching power supply industry, Defendants *have* previously expressed appreciation of the value and scope of the `329 Patent, as well as other patents owned by or otherwise assigned to Technical Witts, to Ernest Wittenbreder during a visit to *Skynet Taiwan's* offices in June of 2001. Indeed, Mr. Wittenbreder's visit to Taiwan was made at Defendant's expense in appreciation of Technical Witts' expertise as demonstrated in the technology of the `329 Patent specifically, and in the field of zero-voltage switching power supplies in general.
- 17. Notwithstanding Defendants' appreciation of the value and scope of the `329 Patent, upon information and belief, Defendants have sold, made, imported, and/or

used infringing "zero-voltage switching" products (hereinafter referred to as the "Infringing ZVS Products").

- 18. Upon information and belief, Defendants have sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, BreconRidge Manufacturing Solutions (Ottawa, Ontario, Canada).
- 19. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, March Networks (Ottawa, Ontario, Canada).
- 20. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, SCJ Associates, Inc. (Rochester, New York, United States of America).
- 21. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Eastman Kodak (Rochester, New York, United States of America).
- 22. Upon information and belief, Defendants Liang, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, DigiDesign, a division of Avid Technology, Inc. (Daly City, California, United States of America).
- 23. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Compaq, a division of Hewlett-Packard Development Company, L.P. (Palo Alto, California, United States of America).
- 24. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products

available for subsequent purchase by, Hewlett-Packard Development Company, L.P. (Palo Alto, California, United States of America).

- 25. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Asante Technologies, Inc. (San Jose, California, United States of America; and Giessen, Germany).
- 26. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, NetScreen which was acquired by Juniper Networks, Inc. on April 16, 2004 (Sunnyvale, California, United States of America).
- 27. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Lexmark, Inc. (Lexington, Kentucky, United States of America).
- 28. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Grass Valley Group (Cergy Pontoise Cedex, France) as part of the Video Network Solutions division of Thomson (Headquartered Paris, France).
- 29. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Dolby Laboratories, Inc. (San Francisco, California, United States of America).
- 30. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Symbol Technologies, Inc. (Holtsville, New York, United States of America).

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31. Upon information and belief, Defendants have distributed and/or sold the
Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products
available for subsequent purchase by, Terawave Communications (Hayward, California
United States of America).

- 32. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, 3Com Corp. (Santa Clara, California, United States of America).
- 33. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Siemens A.G. (Munich, Germany).
- Upon information and belief, Defendants have distributed and/or sold the 34. Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Science Applications International Corporation (San Diego, California, United States of America).
- Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Royal Philips Electronics of the Netherlands (Eindhoven, Netherlands).
- 36. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Meyer Sound Laboratories, Inc. (Berkeley, California, United States of America).
- 37. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Keithley Instruments, Inc. (Cleveland, Ohio, United States of America).

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- 38. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Eaton Corporation (Cleveland, Ohio, United States of America).
- 39. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Dolch Computer Systems, Inc. (Fremont, California, United States of America).
- 40. Upon information and belief, Defendants have distributed and/or sold the Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Digital Instruments, Inc. (Tonawanda, New York, United States of America).
- Upon information and belief, Defendants have distributed and/or sold the 41. Infringing ZVS Products to, or have otherwise made the Infringing ZVS Products available for subsequent purchase by, Guenter Power Supplies and Circuit Breakers (Neuenbuerg, Germany).
- Upon information and belief, Defendant *Skynet Taiwan and/or the other* 42. **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z307.
- Upon information and belief, Defendant Skynet Taiwan and/or the other 43. **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z107.
- Upon information and belief, Defendant Skynet Taiwan and/or the other 44. **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: CK-0327.

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	45.	Upon information and belief, Defendant Skynet Taiwan and/or the other
Defe	ndants	have manufactured and sold, and continue to manufacture and sell, the
Infrir	nging Z	VS Products at least under the Defendant's part serial number designation
CK-0	328.	

- 46. Upon information and belief, Defendant **Skynet Taiwan and/or the other Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: CK-0330.
- 47. Upon information and belief, Defendant **Skynet Taiwan and/or the other Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: JC-0320.
- 48. Upon information and belief, Defendant **Skynet Taiwan and/or the other Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: TD-0304.
- Upon information and belief, Defendant *Skynet Taiwan and/or the other* 49. **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: TL-0302.
- Upon information and belief, Defendant Skynet Taiwan and/or the other 50. **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: YC-0319.
- 51. Upon information and belief, Defendant *Skynet Taiwan and/or the other* **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-D129.

- 52. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-D249.
- 53. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-D489.
- 54. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-U10.
- 55. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z05.
- 56. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z07.
- 57. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z10.
- 58. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z20.

	59.	Upon information and belief, Defendant Skynet Taiwan and/or the other
Defe	ndants	have manufactured and sold, and continue to manufacture and sell, the
Infrin	ging Z	VS Products at least under the Defendant's part serial number designation:
SNP-	Z30.	

- 60. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-AT30.
- 61. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-AX40.
- 62. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z10X-M.
- 63. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-Z281.
- 64. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-A04.
- 65. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-A02.

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	66.	Upon information and belief, Defendant Skynet Taiwan and/or the other
Defen	ndants	have manufactured and sold, and continue to manufacture and sell, the
Infring	ging Z	VS Products at least under the Defendant's part serial number designation:
SNP-A	1 12.	

- 67. Upon information and belief, Defendant **Skynet Taiwan and/or the other Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-A09.
- Upon information and belief, Defendant **Skynet Taiwan and/or the other** 68. **Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-A06.
- 69. Upon information and belief, Defendant **Skynet Taiwan and/or the other Defendants have** manufactured and sold, and continue to manufacture and sell, the Infringing ZVS Products at least under the Defendant's part serial number designation: SNP-A05.
- Upon information and belief, Defendant **Skynet Taiwan and/or the other** 70. **Defendants have** manufactured and sold, and continue to manufacture and sell, Infringing ZVS Products under the Defendant's part serial number designations SNP-Z## and SNP-U##.
- Upon information and belief, Defendant Skynet Taiwan and/or the other 71. **Defendants have** actively induced and currently are actively inducing others to infringe one or more claims of the `329 Patent through their manufacture, sale, *importation and* distribution of certain products.
- 72. Upon information and belief, Defendant **Skynet Taiwan and/or the other Defendants have** contributorily infringed and currently are contributorily infringing the `329 Patent by their offer for sale, sale, importation and distribution of certain products.

73.	Defendants'	Infringing	ZVS	Products	have	at	least	one	feature
correspondi	ng to an input	that may be	couple	ed to a DC	source.				

- 74. Defendants' Infringing ZVS Products have at least one feature corresponding to an output that may be coupled to a DC load.
- 75. Defendants' Infringing ZVS Products have at least one feature corresponding to a first coupled inductive element having a primary winding coupled to the input and a secondary winding coupled to the output.
- 76. Defendants' Infringing ZVS Products have at least one feature corresponding to a second inductive element in series with the first coupled inductive element.
- 77. Defendants' Infringing ZVS Products have at least one feature corresponding to a first capacitor coupled to the input and primary winding.
- 78. Defendants' Infringing ZVS Products have at least one feature corresponding to a second capacitor coupled to the secondary winding and output.
- 79. Defendants' Infringing ZVS Products have at least one feature corresponding to a first switching means for coupling the first capacitor to the primary winding for exchanging stored energy between the first capacitor and the first coupled inductive element.
- 80. Defendants' Infringing ZVS Products have at least one feature corresponding to a second switching means capable of substantially synchronized operation with the first switching means and coupled to the secondary winding for providing at least a portion of the exchange energy to the DC load.
- 81. Defendants' Infringing ZVS Products have at least one feature corresponding to a third switching means capable of operative coupling of the primary winding to the DC source alternately and sequentially with the operation of the first and second switching means so that the first capacitor exchanges energy with the primary winding when the first switching means is activated and the second capacitor exchanges energy with the second winding when the second switching means is activated.

82. Defendants' Infringing ZVS Products have at least one feature corresponding to a control means for selective activation of the first, second and third switching means such that the switches are operated when the voltage drop therethrough is substantially zero, wherein said third switching means is operable in opposition to the first and second switching means and the second inductive element contributes energy to the turn-on transition of the third switching means in opposition to the energy stored in the first coupled inductive element accomplishing turn-on of the third switching means at substantially zero voltage for the condition in which the peak-to-peak AC magnetization current in the primary winding of the first coupled inductive element is less than about twice the average magnetizing current in the primary winding of the first coupled inductive element.

- 83. Defendants' Infringing ZVS Products at least infringe claim 1 of the `329 patent.
- 84. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* been aware of their infringing activity since on or about March 7, 2001, immediately after Defendant Liang's presentation at the 2001 Applied Power Electronics Conference at the Disneyland Hotel in Anaheim, California, USA.
- 85. Upon information and belief, Defendant Liang has been personally aware of Defendants' infringing activity since on or about March 7, 2001, immediately after his presentation at the 2001 Applied Power Electronics Conference at the Disneyland Hotel in Anaheim, California, USA.
- 86. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* been aware of their infringing activity since on or about June 1, 2001 during Mr. Wittenbreder's visit to Defendant's Taiwan offices, where Mr. Wittenbreder affirmatively informed Defendants of the infringing activity.
- 87. Upon information and belief, Defendant Liang has been personally aware of Defendants' infringing activity since on or about June 1, 2001 during Mr.

Wittenbreder's visit to Defendant's Taiwan offices, where Mr. Wittenbreder affirmatively informed Defendants of the infringing activity.

- 88. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* been aware of their infringing activity at least since on or about October 30, 2003, after receiving correspondence from Technical Witts' attorney communicating an invitation to license the technology corresponding to the `329 Patent, which invitation was rejected.
- 89. Upon information and belief, Defendant Liang, in his capacity as Defendant's Board Chairman, has been personally aware of Defendants' infringing activity at least since on or about October 30, 2003, after receiving correspondence from Technical Witts' attorney communicating an invitation to license the technology corresponding to the `329 Patent, which invitation was rejected.
- 90. Upon information and belief, Defendant sell *and/or distribute* the Infringing ZVS Products in a wide range of locations. Defendants seek generally to sell the Infringing ZVS Products to retailers, distributors, dealers, and/or the general public, including the general public in the State of Arizona and this District. Upon information and belief, Defendant *Skynet Taiwan and/or the other Defendants have* sold Infringing ZVS Products in the State of Arizona and this District.
- 91. Despite notice of their infringing activity, Defendants have continued and continue the above activities to date.
- 92. The activities of the Defendants with regard to the sales, importation, manufacture and/or use of the Infringing ZVS Products, are and have been without authorization from Technical Witts.
- 93. Technical Witts contacted Defendant Skynet *Taiwan* with an invitation to license the technology of the `329 patent on several occasions in Q1/Q2 2001.
- 94. During discussions in Q1/Q2 2001, Defendant Liang admitted that Defendants required a license to the `329 patent to manufacture and sell products in its ZVS product line.

- 95. In or around May of 2001, Defendant Liang extended an invitation via e-mailed correspondence on behalf of Defendant Skynet *Taiwan* to have Technical Witts vice president and chief engineer, Ernest Wittenbreder, travel to Defendant's facilities in Taiwan at Defendant's expense for the purpose of formalizing a licensing agreement to the technology of the `329 patent.
- 96. Mr. Wittenbreder and Defendant Liang discussed the details of such a trip in a series of e-mails, with Defendant Liang repeating the content of the first e-mailed correspondence in at least one subsequent e-mail to Ernest Wittenbreder.
- 97. In reliance upon Defendant Liang's representations in his correspondence, Ernest Wittenbreder, on behalf of Technical Witts, traveled to Taiwan in June 2001 to formalize a licensing agreement with Defendants.
- 98. Upon Mr. Wittenbreder's arrival, Defendant Liang refused to formalize a licensing agreement. Defendant Liang instead indicated that he never had any intention of securing a licensing agreement, but rather wanted Mr. Wittenbreder to enter into a consulting relationship with Defendants.
- 99. Upon information and belief, Defendant Liang intended to bring Mr. Wittenbreder to the Taiwan site to obtain a consulting agreement with Mr. Wittenbreder in lieu of a licensing agreement.
- 100. By inveigling Mr. Wittenbreder to travel to Taiwan for the purpose of establishing a consulting relationship under the pretense of formalizing a licensing agreement, Defendant Liang sought to obstruct and complicate prospective determinations of ownership of intellectual property developed under a consulting agreement with the patent rights already owned by Technical Witts.
- 101. Defendant Liang committed fraud by inducing Mr. Wittenbreder to travel to Taiwan under the pretense of Defendants' intent to formalize a licensing agreement for the manufacture and sale of products corresponding to the technology of the `329 patent.
- 102. As a result, Technical Witts suffered damages including, inter alia, lost man-hours and lost commercial opportunities as a result of Technical Witts' vice

oo NORTH CENTRAL AVENUE, SUITE 200	PHOENIX, ARIZONA 85012	(602) 274-4400/FAX: (602) 274-4401
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president,	engineer	and	chief	technology	specialist,	Ernest	Wittenbreder,	traveling	to
Defendan	t's Taiwan	faci	lity.						

COUNT I

PATENT INFRINGEMENT

- 103. This cause of action arises under the Laws of the United States, Title 35, United States Code.
- Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through 102 of this Complaint as fully set forth again herein.
- Upon information and belief, Defendants *have* infringed the `329 Patent under 35 U.S.C. § 271 et seq. Upon information and belief, this infringement was intentional.
- Upon information and belief, Defendants continue to infringe the `329 Patent under 35 U.S.C. § 271 et seq. Upon information and belief, these ongoing acts of infringement are intentional.
- 107. Upon information and belief, Defendants, acting through and by their respective officers and owners, *have*, without authority, consent, right or license, and in direct infringement of the `329 Patent, imported, made, used, and/or sold the Infringing ZVS Products in this country, and such Infringing ZVS Products have been sold and used in this jurisdiction and district.
- Defendants' infringing conduct is intentional and unlawful and, upon information and belief, will continue unless enjoined by this Court.

COUNT II

INDUCEMENT OF PATENT INFRINGEMENT

- This cause of action arises under the Patent Laws of the United States, Title 35, United States Code, in particular under 35 U.S.C. § 271(b).
- Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through **108** of this Complaint as fully set forth again herein.

111.	Upon information and belief, Defendants, acting through and by their
respective of	officers and owners, <i>have</i> , in this country, actively and/or intentionally induced
others to u	se and/or sell the Infringing ZVS Products, in direct infringement of the `329
Patent.	

112. Defendants' infringing conduct is intentional and unlawful and, upon information and belief, will continue unless enjoined by this Court.

COUNT III

CONTRIBUTORY PATENT INFRINGEMENT

- 113. This cause of action arises under the Patent Laws of the United States, Title 35, United States Code, in particular under 35 U.S.C. § 271(b).
- 114. Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through *112* of this Complaint as fully set forth again herein.
- 115. Upon information and belief, Defendants *are* furthermore liable for contributory infringement, pursuant to 35 U.S.C. § 271(c), in that Defendants have imported, made, and/or sold within the United States a component of a patented combination or composition, consisting of a material part of the invention, knowing the same to be especially made or adapted for use in the infringement of the `329 Patent and not a staple article or commodity of commerce suitable for substantial non infringing use.
- 116. Defendants' infringing conduct is intentional and unlawful and, upon information and belief, will continue unless enjoined by this Court.

COUNT IV

FRAUD (as to Defendant Skynet Taiwan)

- 117. Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through *116* of this Complaint as fully set forth again herein.
- 118. In requesting that Technical Witts' representative travel to Taiwan, Defendants Liang *and Skynet Taiwan* made false representations of material facts, omitted to state material facts necessary to prevent statements made from being false,

and/or made promises he did not intend to fulfill. Defendants knew that these statements were false when made, that the omissions rendered certain statements false, and that Defendants had no intention of fulfilling his promises.

- 119. Upon information and belief, Defendants intended that Technical Witts rely on such misrepresentations, omissions and promises.
- 120. Defendants' misrepresentations, omissions and promises were material to Technical Witts' decision to send a representative to Taiwan. Technical Witts was unaware of the falsity of the statements or omissions or Defendants' intention not to fulfill his promises to Technical Witts.
- 121. Technical Witts reasonably relied on Defendants' misrepresentations, omissions and promises, and had a right to so rely.
- 122. As a direct result of its detrimental reliance on Defendants' misrepresentations, omissions and promises, Technical Witts has suffered damages in an amount to be proven at trial.
- 123. Defendants' conduct and misrepresenting or omitting certain material facts or making promises he did not intend to fulfill was in conscious disregard of Technical Witts' rights and interests and therefore warrants the imposition of punitive damages.

COUNT V

FRAUDULENT INDUCEMENT (as to Defendant Skynet Taiwan)

- 124. Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through *123* of this Complaint as fully set forth again herein.
- 125. Defendants Liang *and Skynet Taiwan* made untrue misrepresentations to and/or failed to disclose to Technical Witts facts and conditions concerning Technical Witts entering into a licensing agreement with Defendants.
- 126. Defendants knew or should have known that these statements or failure to disclose all relevant facts and conditions surrounding that proposed agreement would have the effect of materially misleading Technical Witts into sending a representative to

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Taiwan.	Upon information	and belief,	Defendants	intended	to induce	Technical	Witts
to rely up	oon misrepresentati	ons and on	nissions.				

- 127. The misleading or undisclosed facts, particularly those regarding Defendants' inability or unwillingness to enter into a licensing agreement, were central to Technical Witts' basic decisions concerning Defendants, and Technical Witts would not have sent a representative to Taiwan but for the misrepresentations by Defendants.
- 128. Technical Witts did not and should not have known that the misleading or undisclosed facts were either untrue or had failed to be disclosed.
- Technical Witts reasonably relied upon the representations made by Defendants.
- Defendants' untrue statements and omissions fraudulently induced Technical Witts to send a representative to Taiwan, and Technical Witts is entitled to recover from Defendants the damages resulting from Technical Witts' reliance along with all costs and reasonable attorneys' fees.

COUNT VI

NEGLIGENT MISREPRESENTATION (as to Defendant Skynet Taiwan)

- Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through 130 of this Complaint as fully set forth again here.
- Defendants Liang and Skynet Taiwan had a duty to impart true and correct information to Technical Witts with regard to the Defendants' willingness or ability to enter into a licensing agreement, and to otherwise deal in good faith.
- Defendants breached their duty to Technical Witts by falsely and recklessly asserting that Defendants would enter a licensing agreement.
- Defendants knew or should have known that Technical Witts would rely on this information in making their decision to travel to Taiwan to meet with Defendants.
- 135. Technical Witts materially relied on this information when it decided to send a representative to Taiwan to meet with Defendants.

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136. As a direct and proximate cause of Defendants' breach of his duty of care, Technical Witts has suffered damages.

COUNT VII

INJUNCTIVE RELIEF

- 137. Technical Witts repeats and realleges each and every allegation contained in Paragraphs 1 through *136* of this Complaint as fully set forth again herein.
- 138. Defendants' wrongful conduct has caused and threatens to cause irreparable harm to Technical Witts that is incapable of being adequately determined and adequately remedied by money damages.
- 139. Technical Witts will continue to suffer irreparable harm unless Defendants are enjoined from continuing improper acts, including but not limited to, wrongfully infringing, inducing infringement of, and contributing to the infringement of the '329 Patent.
- 140. Accordingly, Plaintiff Technical Witts is entitled to a preliminary injunction and a permanent injunction, prohibiting Defendants from making, using, selling, offering for sale, importing and offering to import any and all Infringing ZVS Products.
- 141. A Preliminary Injunction is appropriate in this matter: (a) because Plaintiff has a likelihood of success on the merits; (b) Plaintiff faces immediate and irreparable harm due to Defendants' acts and conduct; (c) that there is a special urgency warranting the grant of injunctive relief; and (d) the balance of hardship tips in favor of Plaintiff.

DAMAGES

- 142. Technical Witts has suffered, is suffering, and will continue to suffer irreparable harm and injury as a result of Defendants' aforesaid activities. Defendants will, unless restrained and enjoined, continue to act in the unlawful manner complained of herein, all to Technical Witts' irreparable damage. Technical Witts' remedy at law is not adequate to compensate it for the injuries suffered and threatened.
- 143. By reason of Defendants' acts complained of herein, Technical Witts has suffered monetary damages in an amount that has not yet been determined, but upon

information and belief, is substantially in excess of the sum or value of \$75,000, exclusive of interest and costs.

144. Pursuant to 35 U.S.C. § 284, Technical Witts is entitled to: an accounting by Defendants of all revenues received through the commercial exploitation of the Infringing ZVS Products; the imposition of a constructive trust for the benefit of Technical Witts upon all such funds in the custody or control of Defendants; and to such other damages to which Technical Witts may be determined to be entitled.

REQUEST FOR JURY TRIAL

145. Technical Witts hereby demands that this cause be tried by a jury.

PRAYER FOR RELIEF

WHEREFORE, Technical Witts prays as follows:

- A. That judgment be entered that Defendants have infringed, actively induced others to infringe, and/or contributorily infringed United States Letters Patent No. 5,402,329.
- B. That Defendants, their agents, officers, directors, employees, servants, attorneys, privies, successors and assigns, and all holding by, through or under Defendants, and all those acting for or on the behalf of Defendants, or in active concert, participation, or combination with them, be enjoined and restrained, immediately and preliminarily, during the pendency of this action and permanently thereafter from:
- (1) making, using, selling and/or importing the Infringing ZVS Products, or any colorable imitation thereof,
 - (2) otherwise infringing upon Technical Witts' patent.
- C. That this Court order Defendants, and their officers, agents, servants and employees, to deliver up to this Court, and to permit the seizure by Officers appointed by the Court of all articles and materials infringing upon the rights of Technical Witts, and particularly, without limitation, all products or other merchandise which embodies or includes the Infringing ZVS Products, and to be delivered up for destruction on the issuance of a final Order in this action, including all Infringing ZVS Products, and all

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equipment, molds and other matter or materials for reproducing such Infringing ZVS Products.

- D. That Defendants be required to file with the Court within thirty (30) days after entry of final judgment of this cause a written statement under oath setting forth the manner in which Defendants have complied with the final judgment.
- Ε. That Defendants be required to pay to Technical Witts such damages as Technical Witts has sustained in consequence of Defendants' infringement of the `329 Patent.
- F. That in the alternative, a reasonable royalty be awarded to Technical Witts pursuant to 35. U.S.C. § 284.
- G. That Defendants be ordered to account for and pay over to Technical Witts all their respective gains, profits and advantages derived from the infringement of Technical Witts' Patents or such damages as may appear to the Court as proper within the Patent Laws.
- Н. Due inter alia to Defendants' willful infringement of Technical Witts' patent rights, that Defendants be ordered to pay Technical Witts enhanced damages (e.g., treble damages).
- I. That Defendants be ordered to pay to Technical Witts the costs of this action, prejudgment interest, and post-judgment interest.
- J. Due inter alia to Defendants' willful and flagrant disregard of Technical Witts' patent rights, that this case be found to be exceptional and that Defendants be ordered to pay Technical Witts' reasonable attorneys' fees and experts' fees.
- K. That Technical Witts have such other and further relief as the Court may deem just and proper.

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PHOENIX, ARIZONA 85012

DATED	this	29th	day	of]	lune,	2007.
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CERTIFICATE OF SERVICE

I hereby certify that on June 29, 2007, I electronically transmitted the Second amended Complaint to the Clerk's Office using the CM/ECF system for filing and transmittal of a Notice of Electronic Filing to the following CM/ECF registrants:

> Paul K. Charlton GALLAGHER & KENNEDY, P.A. 2575 East Camelback Road Phoenix, Arizona 85016-9225 Attorneys for Defendants

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DATED this 29th day of June, 2007.

ISRAEL & GERITY

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