FIRST AMENDED COMPLAINT

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For its claims against defendant TURTLE FUR COMPANY ("DEFENDANT"), plaintiff SEIRUS INNOVATIVE ACCESSORIES, INC. ("SEIRUS"), hereby alleges as follows:

PARTIES

- 1. SEIRUS is a Utah corporation with its principal place of business at 13975 Danielson Street, Poway, California 92064. SEIRUS is engaged in the business of selling men's, women's, and children's action and outdoor apparel and accessories, including face masks.
- 2. Upon information and belief, TURTLE FUR COMPANY ("DEFENDANT") is a Vermont corporation with a principal place of business at 146 Industrial Park Drive, Morrisville, Vermont, 05661. Upon information and belief, DEFENDANT is engaged in the business of selling men's, women's, and children's outdoor apparel and accessories, including cold weather head gear and face masks.

JURISDICTION AND VENUE

- 3. This civil action for infringement and unfair competition arises under the patent laws of the United States, 35 U.S.C. §§ 271, et seq., under the Lanham Act, 15 U.S.C. §§ 1051 et seq., and under California state law governing unjust enrichment and unfair competition, specifically California Business and Professions Code §§ 17200 et seq.
- 4. This Court has subject matter jurisdiction over this action pursuant to 15 U.S.C. § 1121(a) and 28 U.S.C. §§ 1331 and 1338(a) and (b), and supplemental jurisdiction pursuant to 28 U.S.C. § 1367.
- 5. Upon information and belief, DEFENDANT has either directly or through its agents transacted business in the State of California and within this judicial district, and expected or reasonably should have expected its acts to have consequence in the State of California and within this judicial district, thus subjecting DEFENDANT to the personal jurisdiction of this Court.
- 6. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391 and 1400(b) as DEFENDANT is doing business in this judicial district and therefore may be found in this district, and/or a substantial part of the events giving rise to the claims alleged herein occurred within this district.

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FACTS COMMON TO ALL CLAIMS

(A) DEFENDANT'S INFRINGEMENT OF SEIRUS'S PATENTS

- 7. SEIRUS is the owner of United States Letters Patent No. 5,214,804 (the "804") PATENT") which issued on June 1, 1993 and is titled "PROTECTIVE MASK WITH SCARF," and United States Letters Patent No. 6,272,690 (the "690 PATENT") which issued on August 14, 2001 and is titled "HEAD COVERING."
- 8. DEFENDANT is offering for sale and, upon information and belief, has sold in this judicial district and elsewhere throughout the United States, the following products that fall within the scope of at least one claim of the '804 PATENT: SAVE FACE WINDTECH MASKOT ("'804 PATENT ACCUSED PRODUCTS").
- 9. DEFENDANT is also offering for sale and, upon information belief, has sold in this judicial district and elsewhere throughout the United States, the following products that fall within the scope of at least one claim of the '690 PATENT: SAVE FACE WINDTECH MASKOT ("'690 PATENT ACCUSED PRODUCTS").

(B) DEFENDANT'S INFRINGEMENT OF SEIRUS'S TRADE DRESS IN PRODUCTS AND PACKAGING

(i) SEIRUS'S PRODUCT TRADE DRESS

10. By virtue of the extensive use, sale and advertising by SEIRUS and others on behalf of SEIRUS, the shape, form and appearance of SEIRUS products (hereinafter the "SEIRUS PRODUCT TRADE DRESS"), are inherently distinctive and have acquired distinctiveness and secondary meaning to signify SEIRUS as the manufacturer and the source of these goods.

(ii) SEIRUS'S PACKAGING TRADE DRESS

11. By virtue of the extensive use, sale and advertising by SEIRUS and others on behalf of SEIRUS, the shape, form and appearance in use of the packaging of SEIRUS products (hereinafter the "SEIRUS PACKAGING TRADE DRESS"), has acquired secondary meaning in the market for cold-weather headgear.

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12. DEFENDANT is offering for sale and, upon information and belief, has sold in this judicial district and elsewhere throughout the United States, the following products, that copy, imitate, palm off as, and pass off their products as members of the family of products that contain the SEIRUS PRODUCT TRADE DRESS and SEIRUS PACKAGING TRADE DRESS: SAVE FACE WINDTECH MASKOT (the "ACCUSED TRADE DRESS PRODUCTS").

CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF (Patent Infringement)

- 13. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.
- 14. As alleged herein, DEFENDANT is infringing at least one claim of the '804 and/or '690 PATENTS literally and/or under the doctrine of equivalents.
- 15. As a direct and proximate result of DEFENDANT'S infringement of the '804 and/or '690 PATENTS, SEIRUS has been damaged in an amount to be proved at trial, but in an amount not less than a reasonable royalty, and includes lost sales, and/or lost profits.
- 16. Based upon its prior knowledge of SEIRUS'S patent rights, and other facts to be proved at trial, DEFENDANT knows and has known of its infringement of the '804 and/or '690 PATENTS. Based on these facts and those to be proved at trial, DEFENDANT'S infringement is willful and done with intentional disregard of SEIRUS'S rights in the '804 and/or '690 PATENTS, so as to render this case exceptional within the purview of 35 U.S.C. §§ 284, and 285, such that SEIRUS is entitled to enhanced damages, costs, and an award of attorneys' fees.
- 17. SEIRUS has been and continues to be damaged by the unlawful infringing activities of DEFENDANT and will be irreparably harmed unless the unlawful infringing activities are preliminarily and permanently enjoined by this Court as provided by 35 U.S.C. § 283.

SECOND CLAIM FOR RELIEF (Inducing Patent Infringement)

18. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.

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- 20. SEIRUS is marking its products that fall within the scope of the '804 and '690 PATENTS as required by 35 U.S.C. § 287; DEFENDANT has otherwise had knowledge and notice of the '804 and/or '690 PATENTS and its activities constitute knowing and willful patent infringement. SEIRUS has been and continues to be damaged by the unlawful infringing activities of DEFENDANT and will be irreparably harmed unless the unlawful infringing activities are preliminarily and permanently enjoined by this Court as provided by 35 U.S.C. § 271(b).
- 21. Upon information and belief, SEIRUS has suffered and continues to suffer lost sales and in turn damages as a direct result of the unlawful infringement of the '804 and/or '690 PATENTS by DEFENDANT. Under 35 U.S.C. § 284, SEIRUS is entitled to damages to be established at trial or upon an accounting adequate to compensate for the infringement, including lost profits, but not less than a reasonable royalty.
- 22. Upon information and belief, DEFENDANT'S infringement of the '804 and '690 PATENTS is willful and done with an intent to harm SEIRUS or in reckless disregard for the rights of SEIRUS. Therefore, this is an exceptional case and SEIRUS is entitled to enhanced damages under 35 U.S.C. § 284.
- This is an exceptional case under 35 U.S.C. § 285 entitling SEIRUS to its 23. reasonable attorneys' fees.
- 24. SEIRUS has been and continues to be damaged by the unlawful infringing activities of the DEFENDANT and will be irreparably harmed unless the unlawful infringing activities are preliminarily and permanently enjoined by this Court as provided by 35 U.S.C. § 283.

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THIRD CLAIM FOR RELIEF

(Federal Trade Dress Infringement) [15 U.S.C. § 1125(a)]

- 25. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.
- 26. DEFENDANT'S actions in connection with the sale, offering for sale, distribution or advertising of the ACCUSED TRADE DRESS PRODUCTS in interstate commerce, without the consent of SEIRUS, constitute willful, deliberate and intentional infringement of the SEIRUS PACKAGING TRADE DRESS and SEIRUS PRODUCT TRADE DRESS, and have caused and continue to cause a likelihood of confusion, in violation of 15 U.S.C. § 1125.
- 27. By reason of the foregoing, SEIRUS has been injured in an amount to be proven. In addition, as a result of DEFENDANT'S unlawful acts, SEIRUS has suffered and will continue to suffer irreparable harm, and SEIRUS has no adequate remedy at law with respect to this injury. Unless the acts of trade dress infringement are enjoined by this Court, SEIRUS will continue to suffer a risk of irreparable harm. DEFENDANT'S actions have been knowing, intentional, wanton, and willful, entitling SEIRUS to damages, treble damages, profits, attorneys' fees, statutory damages, and the costs of this action.

FOURTH CLAIM FOR RELIEF False Designation of Origin [15 U.S.C. § 1125(a)]

- 28. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.
- 29. DEFENDANT'S actions in connection with the sale, offering for sale, distribution or advertising of the ACCUSED TRADE DRESS PRODUCTS in interstate commerce, without SEIRUS'S consent, is a false designation of origin, and have caused and continue to cause a likelihood of confusion, mistake, and deception as to source, sponsorship, affiliation, and/or connection in the minds of the public.
- 30. DEFENDANT'S false designation of origin is in violation of §43(a) of the Lanham Act, 15 U.S.C. §1125(a)(1).

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31. By	y reason of the foregoing, SEIRUS has been injured in an amount not yet fully	
determined, but b	relieved to be in excess of \$75,000. In addition, as a result of DEFENDANT'S	
acts of infringeme	ent, SEIRUS has suffered and will continue to suffer irreparable harm, and	
SEIRUS has no adequate remedy at law with respect to this injury. Unless DEFENDANT'S acts		
of infringement are further enjoined by this Court, SEIRUS will continue to suffer a risk of		
irreparable harm.		

32. DEFENDANT'S actions have been knowing, intentional, wanton, and willful, entitling SEIRUS to damages, treble damages, profits, attorney's fees, and the costs of this action pursuant to 15 U.S.C. § 1117 in this Court's discretion.

(Unfair Competition) [15 U.S.C. § 1125(a)(1)]

- 33. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.
- 34. SEIRUS manufactures and sells products and lines of products, and by virtue of the extensive, use, sale and advertising by SEIRUS, the associated SEIRUS PRODUCT TRADE DRESS and SEIRUS PACKAGING TRADE DRESS have become inherently distinctive and have acquired distinctiveness, secondary meaning, and sufficient fame to signify SEIRUS as the manufacturer and source of said products and lines of products.
- 35. Upon information and belief, DEFENDANT has unlawfully and without license or right, copied, imitated, and otherwise created a collection of products and lines of products including the ACCUSED TRADE DRESS PRODUCTS, all of which emulate, imitate, palm off as, pass off as and copy the SEIRUS PRODUCT TRADE DRESS and SEIRUS PACKAGING TRADE DRESS to thereby emulate, imitate, palm off as, and pass off its products as SEIRUS products.
- 36. The activities of DEFENDANT in advertising, selling and offering to sell each of the ACCUSED TRADE DRESS PRODUCTS, separately and together, is likely to cause confusion, mistake, and deception as to the source and origin thereof so that purchasers thereof and others will likely be confused and believe the ACCUSED TRADE DRESS PRODUCTS

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- 37. The activities of DEFENDANT in advertising for sale, offering for sale, and selling the ACCUSED TRADE DRESS PRODUCTS constitute unlawful and tortious unfair competition, palming off and passing off, and misrepresentation as to the source of goods in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)(1).
- 38. SEIRUS believes it has suffered and continues to suffer lost sales and, in turn, damages as a direct result of the unlawful and unfair competition of DEFENDANT. Under 15 U.S.C. § 1117, SEIRUS is entitled to damages, including lost profits and the costs of this action, to be shown at trial or upon an accounting.
- 39. On information and belief, DEFENDANT'S unfair competition in violation of 15 U.S.C. § 1125(a)(1) is willful and done with an intent to harm SEIRUS or in reckless disregard for the rights of SEIRUS such that SEIRUS is entitled to triple damages under 15 U.S.C. § 1117(b).
- 40. Under 15 U.S.C. § 1117(b), this is an exceptional case and SEIRUS is entitled to recover its attorneys' fees.
- 41. SEIRUS has been and continues to be damaged by the unlawful unfair competition of DEFENDANT and will be irreparably harmed unless the unlawful infringing activities are permanently enjoined by this Court under the provisions of 15 U.S.C. § 1116. SEIRUS is entitled to an injunction enjoining and restraining DEFENDANT from further acts of unfair competition.

SIXTH CLAIM FOR RELIEF **Unfair Competition** [Cal. Bus. & Prof. Code § 17200 et seq.]

- 42. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.
- 43. California Business & Professions Code § 17200 et seq. provides that unfair competition means and includes "any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising."

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- 45. DEFENDANT'S acts of intentional and willful trade dress infringement as alleged above constitute unfair competition actionable under the laws of the State of California as unlawful business acts or practices in that, inter alia, said acts violate the federal Lanham Act. Specifically, and without limitation, DEFENDANT'S actions of designing, manufacturing, packaging, selling, distributing, and/or offering for sale in interstate commerce products bearing the SEIRUS PRODUCT TRADE DRESS and SEIRUS PACKAGING TRADE DRESS, without the consent of SEIRUS, have caused and continue to cause a likelihood of confusion, mistake, and deception in the minds of the public. Furthermore, said actions have a significant negative impact on the commercial value of and market for SEIRUS'S products under the SEIRUS PRODUCT TRADE DRESS and SEIRUS PACKAGING TRADE DRESS, as well as the value of and market for other products bearing the SEIRUS name.
- 46. DEFENDANT'S acts of infringement as alleged above constitute unfair competition actionable under the laws of the State of California as fraudulent business acts or practices, in that, inter alia, said acts are likely to confuse the public as to the origin of the products.
- 47. DEFENDANT'S acts of infringement as alleged above constitute unfair competition actionable under the laws of the State of California as deceptive and false advertising, in that, inter alia, said acts are likely to cause confusion, mistake, and deception.
- 48. Such acts and omissions described above are unlawful, unfair, fraudulent, deceptive, misleading, and untrue and constitute a violation of Business & Professions Code §17200 et seq. SEIRUS reserves the right to identify additional violations by DEFENDANT as may be established through discovery.

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49. A	As a result of DEFENDANT'S said acts of unfair competition, SEIRUS has	
suffered and wi	l continue to suffer irreparable harm, and SEIRUS has no adequate remedy at	
law with respec	to this injury. Unless the acts of unfair competition are enjoined by this Court,	
SEIRUS will continue to suffer irreparable harm.		

50. As a direct and legal result of DEFENDANT'S unlawful, unfair, and fraudulent conduct described above, DEFENDANT has been and will continue to be unjustly enriched with ill-gotten gains.

SEVENTH CLAIM FOR RELIEF Unjust Enrichment

- 51. SEIRUS refers to, re-alleges, and incorporates herein by this reference, each and every allegation in the foregoing paragraphs, as though fully set forth herein.
- 52. DEFENDANT'S acts of misappropriation and illegal use of SEIRUS'S intellectual property rights and valuable goodwill associated with those rights have resulted in DEFENDANT being unjustly enriched at SEIRUS'S expense.
- 53. SEIRUS has invested heavily in the advertisement, promotion and building of goodwill related to the aforementioned intellectual property.
- 54. SEIRUS is therefore entitled to restitution of all ill-gotten profits related to the aforementioned intellectual property rights that have been retained by DEFENDANT.

WHEREFORE, SEIRUS requests that this Court enter judgment in its favor, and against **DEFENDANT** as follows:

- 1. For judgment that DEFENDANT has infringed, contributorily infringed and/or induced the infringement of, at least one claim of the '804 PATENT and/or '690 PATENT;
- 2. That SEIRUS recover damages against DEFENDANT under 35 U.S.C. § 284 in an amount to be determined at trial or by accounting for the lost profits, but no less than a reasonable royalty, on all sales of each of the infringing products alleged above and any others that are subsequently discovered in the course of this proceeding, plus pre-judgment and postjudgment interest;

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- 3. That the damages awarded pursuant to the preceding paragraph be increased to three times the amount awarded because this is an exceptional case under 35 U.S.C. § 284;
- 4. That the Court declare this is an exceptional case and SEIRUS be awarded all of its attorneys' fees in connection with this matter under 35 U.S.C. § 285;
- 5. That the Court preliminarily and/or permanently enjoin and restrain DEFENDANT, its officers, agents, servants, employees and those persons in active concert or participation with DEFENDANT, from further acts of infringement for the remaining life of the '804 PATENT and '690 PATENT under 35 U.S.C. § 283;
- 6. That the Court preliminarily and permanently enjoin DEFENDANT and its employees, servants, agents, affiliates, distributors, dealers, attorneys, successors and/or assigns, and all persons in active concert or participation with DEFENDANT, from manufacturing, using, selling, offering to sell, importing for sale, advertising, displaying, or using any of the ACCUSED TRADE DRESS PRODUCTS, or any products likely to cause confusion, mistake, and deception, or to misappropriate SEIRUS'S intellectual property;
- 7. That the Court award SEIRUS damages for lost profits, loss of goodwill or other damages as appropriate;
- 8. For restitution of all ill-gotten profits related to the intellectual property rights at issue herein that have been retained by DEFENDANT.
- 9. For judgment that SEIRUS be awarded damages under 15 U.S.C. § 1117 for all of its lost profits, the profits of DEFENDANT, and the costs of this action;
- 10. That the damages awarded under the preceding paragraph are to be increased to three times the amount awarded under 15 U.S.C. § 1117(b);
- 11. That DEFENDANT, its officers, agents, servants, employees and those persons in active concert of participation with any of them, be permanently enjoined from further acts of unfair competition in violation of 15 U.S.C. § 1125(a)(1);
- 12. That the Court direct the destruction of DEFENDANT'S current advertising, promotional and related materials and products, as they relate to such activity in the United States, that bear the SEIRUS PRODUCT TRADE DRESS and/or SEIRUS PACKAGING

FIRST AMENDED COMPLAINT