

1 ANTON HANDAL (Bar No. 113812)  
anh@handal-law.com  
2 GABRIEL HEDRICK (Bar No. 220649)  
ghedrick@handal-law.com  
3 PAMELA C. CHALK (Bar No. 216411)  
pchalk@handal-law.com  
4 HANDAL & ASSOCIATES  
1200 Third Avenue, Suite 1321  
5 San Diego, California 92101  
Tel: 619.544.6400  
6 Fax: 619.696.0323

7 Attorneys for Plaintiff  
e.Digital Corporation

8  
9 **UNITED STATES DISTRICT COURT**  
10 **SOUTHERN DISTRICT OF CALIFORNIA**

11 e.Digital Corporation,  
12  
13 Plaintiff,  
14 v.

15 Yamaha Corporation of America; Yamaha  
Corporation; Guitar Center, Inc.; Best Buy Co.,  
16 Inc.; Best Buy Stores, L.P.; Best Buy.Com  
LLC; Sam Ash Music Corporation; and J & R  
17 Electronics Inc.,  
18 Defendants.

Case No. **'12CV2571 GPC RBB**

**COMPLAINT FOR PATENT  
INFRINGEMENT**

**DEMAND FOR JURY TRIAL**

19  
20 Plaintiff e.Digital Corporation (“e.Digital” or “Plaintiff”), by and through its undersigned  
21 counsel, complains and alleges against Yamaha Corporation of America and Yamaha  
22 Corporation (collectively, “Yamaha”); Guitar Center, Inc. (“Guitar Center”); Best Buy Co., Inc.,  
23 Best Buy Stores L.P.; and Best Buy.Com LLC (collectively “Best Buy”); Sam Ash Music  
24 Corporation (“Sam Ash”); and J & R Electronics Inc. (collectively, “Defendants”) as follows:

25 **NATURE OF THE ACTION**

26 1. This is a civil action for infringement of a patent arising under the laws of the  
27 United States relating to patents, 35 U.S.C. § 101, *et seq.*, including, without limitation, § 281.  
28

1 Plaintiff e.Digital seeks a preliminary and permanent injunction and monetary damages for the  
2 infringement of its U.S. Patent Nos. 5,839,108; 5,842,170; 5,742,737; and 5,491,774.

3 **JURISDICTION AND VENUE**

4 2. This court has subject matter jurisdiction over this case for patent infringement  
5 under 28 U.S.C. §§ 1331 and 1338(a) and pursuant to the patent laws of the United States of  
6 America, 35 U.S.C. § 101, *et seq.*

7 3. Venue properly lies within the Southern District of California pursuant to the  
8 provisions of 28 U.S.C. §§ 1391(b), (c), and (d) and 1400(b). On information and belief,  
9 Defendant conducts substantial business directly and/or through third parties or agents in this  
10 judicial district by selling and/or offering to sell the infringing products and/or by conducting  
11 other business in this judicial district. Furthermore, Plaintiff e.Digital is headquartered and has  
12 its principal place of business in this district, engages in business in this district, and has been  
13 harmed by Defendant's conduct, business transactions and sales in this district.

14 4. This Court has personal jurisdiction over Defendant because, on information and  
15 belief, Defendant transacts continuous and systematic business within the State of California and  
16 the Southern District of California. In addition, this Court has personal jurisdiction over the  
17 Defendants because, on information and belief, this lawsuit arises out of Defendant's infringing  
18 activities, including, without limitation, the making, using, selling and/or offering to sell  
19 infringing products in the State of California and the Southern District of California. Finally,  
20 this Court has personal jurisdiction over Defendant because, on information and belief,  
21 Defendant has made, used, sold and/or offered for sale its infringing products and placed such  
22 infringing products in the stream of interstate commerce with the expectation that such infringing  
23 products would be made, used, sold and/or offered for sale within the State of California and the  
24 Southern District of California.

25 **PARTIES**

26 5. Plaintiff e.Digital is a Delaware corporation with its headquarters and principal  
27 place of business at 16870 West Bernardo Drive, Suite 120, San Diego, CA 92127.

28 6. Upon information and belief, Defendant Yamaha Corporation of America is a

1 company registered and lawfully existing under the laws of the State of California, with an office  
2 and principal place of business located at 6600 Orangethorpe Avenue, Buena Park, California  
3 90620.

4 7. Upon information and belief, Defendant Yamaha Corporation is a company  
5 registered and lawfully existing under the laws of Japan, with an office and principal place of  
6 business located at 10-1, Nakazawa-cho, Naka-ku, Hamamatsu Shizuoka 430-8650, Japan.

7 8. Upon information and belief, Defendant Guitar Center is a company registered  
8 and lawfully existing under the laws of the State of Delaware, with an office and principal place  
9 of business located at 5795 Lindero Canyon Road, Westlake Village, California 91362. Upon  
10 information and belief, certain of the products manufactured by Yamaha have been and/or are  
11 currently sold and/or offered for sale at, among other places, the Guitar Center located at 8825  
12 Murray Dr. La Mesa, CA 91942-3327.

13 9. Upon information and belief, Defendant Best Buy Co., Inc. is a company  
14 registered and lawfully existing under the laws of the State of Minnesota, with an office and  
15 principal place of business located at 7601 Penn Avenue South, Richfield, Minnesota 55423.

16 10. Upon information and belief, Defendant Best Buy Stores L.P. is a limited  
17 partnership registered and lawfully existing under the laws of the State of Virginia, with an office  
18 and principal place of business located at 7601 Penn Avenue South, Richfield, Minnesota 55423.  
19 Upon information and belief, certain of the products manufactured by Yamaha have been and/or  
20 are currently sold and/or offered for sale at, among other places, the Best Buy store located at,  
21 among other places, 5151 Mission Center Rd, San Diego, CA 92108.

22 11. Upon information and belief, Defendant Best Buy.Com LLC is a limited liability  
23 company registered and lawfully existing under the laws of the State of Virginia, with an office  
24 and principal place of business located at 7601 Penn Avenue South, Richfield, Minnesota 55423.  
25 Upon information and belief, certain of the products manufactured by Yamaha have been and/or  
26 are currently sold and/or offered for sale at, among other places, the Best Buy website located at  
27 www.bestbuy.com.

28 12. Upon information and belief, Defendant Sam Ash is a company registered and

1 lawfully existing under the laws of the State of New York, with an office and principal place of  
2 business located at PO Box 9047, Hicksville, New York 11802. Upon information and belief,  
3 certain of the products manufactured by Yamaha have been and/or are currently sold and/or  
4 offered for sale at, among other places, the Sam Ash website located at www.samash.com and  
5 the Sam Ash store located at 7404 Sunset Blvd., West Hollywood, California 90046.

6 13. Upon information and belief, Defendant J & R Electronics Inc. is a corporation  
7 registered and lawfully existing under the laws of the State of New York, with an office and  
8 principal place of business located at 23 Park Row, New York, New York, 10038. Upon  
9 information and belief, certain of the products manufactured by Yamaha have been and/or are  
10 currently sold and/or offered for sale at, among other places, the J & R Electronics Inc. website  
11 located at www.jr.com.

#### 12 **THE ASSERTED PATENTS**

13 14. On November 17, 1998, United States Patent No. 5,839,108 (“the ’108 patent”)  
14 entitled “Flash Memory File System In A Handheld Record And Playback Device,” was duly  
15 and legally issued by the United States Patent and Trademark Office. The named inventors are  
16 Norbert P. Daberko and Richard K. Davis. e.Digital is the assignee and owner of the entire right,  
17 title and interest in and to the ’108 patent and has the right to bring this suit for damages and  
18 other relief. A true and correct copy of the ’108 patent is attached hereto as Exhibit A.

19 15. On November 24, 1998, United States Patent No. 5,842,170 (“the ’170 patent”)  
20 entitled “Method For Editing In Hand Held Recorder,” was duly and legally issued by the United  
21 States Patent and Trademark Office. The named inventors are Norbert P. Daberko, Richard K.  
22 Davis, and Richard D. Bridgewater. e.Digital is the assignee and owner of the entire right, title  
23 and interest in and to the ’170 patent and has the right to bring this suit for damages and other  
24 relief. A true and correct copy of the ’170 patent is attached hereto as Exhibit B.

25 16. On April 21, 1998, United States Patent No. 5,742,737 (“the ’737 patent”) entitled  
26 “Method For Recording Voice Messages On Flash Memory In A Hand Held Recorder,” was  
27 duly and legally issued by the United States Patent and Trademark Office. The named inventors  
28 are Norbert P. Daberko, Richard K. Davis, and Richard D. Bridgewater. e.Digital is the assignee

1 and owner of the entire right, title and interest in and to the '737 patent and has the right to bring  
2 this suit for damages and other relief. A true and correct copy of the '737 patent is attached  
3 hereto as Exhibit C.

4 17. On October 17, 2012, the United States Patent and Trademark Office issued a  
5 Reexamination Certificate for the '737 patent, canceling Claim 5 and adding new Claim 13,  
6 which is substantially identical to former claim 5. A true and correct copy of the Reexamination  
7 Certificate is attached hereto as Exhibit D.

8 18. On February 13, 1996, United States Patent No. 5,491,774 ("the '774 patent")  
9 entitled "Handheld Record And Playback Device With Flash Memory," was duly and legally  
10 issued by the United States Patent and Trademark Office. The named inventors are Elwood G.  
11 Norris, Norbert P. Daberko, and Steven T. Brightbill. e.Digital is the assignee and owner of the  
12 entire right, title and interest in and to the '774 patent and has the right to bring this suit for  
13 damages and other relief. A true and correct copy of the '774 patent is attached hereto as Exhibit  
14 E.

15 19. On August 14, 2012, the United States Patent and Trademark Office issued a  
16 Reexamination Certificate for the '774 patent. A true and correct copy of the Reexamination  
17 Certificate is attached hereto as Exhibit F.

## 18 COUNT ONE

### 19 **INFRINGEMENT OF THE '108 PATENT BY DEFENDANTS**

20 20. Plaintiff re-alleges and incorporates by reference each of the allegations set forth  
21 above.

22 21. Upon information and belief, Defendants, without authority, (a) have directly  
23 infringed and continue to directly infringe the '108 patent by making, using, offering to sell, or  
24 selling within the United States, or importing into the United States, products that practice claim  
25 5 of the '108 patent in violation of 35 U.S.C. § 271(a); (b) have induced and continue to induce  
26 infringement of claim 5 of the '108 patent in violation of 35 U.S.C. § 271(b); and (c) have  
27 contributed and continue to contribute to the infringement of claim 5 of the '108 patent in  
28 violation of 35 U.S.C. § 271(c).

1           22.     The accused products for purposes of the '108 patent include but are not limited  
2 to Yamaha portable recorders, including, but not limited to, the Pocketrak CX, C24, and W24  
3 portable recorders.

4           23.     The accused products, alone or in combination with other products, practice each  
5 of the limitations of independent claim 5 of the '108 patent.

6           24.     Upon information and belief, Defendants, without authority, have actively  
7 induced and continue to actively induce infringement of claim 5 of the '108 patent in violation of  
8 35 U.S.C. § 271(b) by causing others to directly infringe the claims of the '108 patent and/or by  
9 intentionally instructing others how to use the accused products in a manner that infringes claim  
10 5 of the '108 patent. Plaintiff also alleges that Defendants have induced and continue to induce  
11 infringement by instructing customers to operate the products in an infringing manner and/or  
12 when Defendants test or otherwise operate the accused products in the United States.

13           25.     Upon information and belief, Defendants, without authority, have contributed and  
14 continue to contribute to the infringement of claim 5 of the '108 patent in violation of 35 U.S.C.  
15 § 271(c) by importing into the United States, selling and/or offering to sell within the United  
16 States accused products that (1) embody and constitute a material part of the invention of the  
17 '108 patent, (2) Defendants knows to be especially adapted for use in infringing the '108 patent,  
18 and (3) are not staple articles of commerce suitable for substantial non-infringing use with  
19 respect to the '108 patent.

20           26.     Based on information and belief, Plaintiff alleges that Defendants sell, ship or  
21 otherwise deliver the accused products with all the features required to infringe the asserted  
22 claims of the '108 patent. On information and belief, these products are designed to implement  
23 the infringing features.

24           27.     Defendants had knowledge of infringement of the '108 patent since at least the  
25 filing of this complaint and perhaps as early as 2010 by virtue of the Plaintiff's filing of  
26 complaints against others within Defendants' industry. On information and belief, Defendants  
27 have continued to sell products that practice the '108 patent after acquiring knowledge of  
28 infringement.



1 induce infringement by instructing customers to operate the products in an infringing manner  
2 and/or when Defendants test or otherwise operate the accused products in the United States.

3 35. Upon information and belief, Defendants, without authority, have contributed to  
4 and continue to contribute to the infringement of the '170 patent in violation of 35 U.S.C. §  
5 271(c) by importing into the United States, selling and/or offering to sell within the United States  
6 accused products that (1) constitute a material part of the invention of the '170 patent, (2)  
7 Defendant knows to be especially adapted for use in infringing the '170 patent, and (3) are not  
8 staple articles of commerce suitable for substantial noninfringing use with respect to the '170  
9 patent.

10 36. Based on information and belief, Plaintiff alleges that Defendants sell, ship or  
11 otherwise deliver the accused products with all the features required to infringe the asserted  
12 claims of the '170 patent. On information and belief, these products are designed to implement  
13 the infringing features.

14 37. Defendants had knowledge of infringement of the '170 patent since at least the  
15 filing of this complaint and perhaps as early as 2010 by virtue of the Plaintiff's filing of  
16 complaints against others within Defendants' industry. On information and belief, Defendants  
17 have continued to sell products that practice the '170 patent after acquiring knowledge of  
18 infringement.

19 38. Upon information and belief, the infringement by Defendants has been and is  
20 willful.

21 39. Plaintiff has been irreparably harmed by these acts of infringement and has no  
22 adequate remedy at law. Upon information and belief, infringement of the '170 patent is  
23 ongoing and will continue unless Defendants are enjoined from further infringement by the  
24 court.

### 25 **COUNT THREE**

#### 26 **INFRINGEMENT OF THE '737 PATENT BY DEFENDANT**

27 40. Plaintiff re-alleges and incorporates by reference each of the allegations set forth  
28 in paragraphs 1 through 19 above.



1           41.     Upon information and belief, Defendants, without authority, (a) have directly  
2 infringed and continue to directly infringe the '737 patent by making, using, offering to sell, or  
3 selling within the United States, or importing into the United States, products that practice one  
4 ore more claims of the '737 patent in violation of 35 U.S.C. § 271(a); (b) have induced and  
5 continue to induce infringement of one or more claims of the '737 patent in violation of 35  
6 U.S.C. § 271(b); and (c) have contributed and continue to contribute to the infringement of one  
7 ore more claims of the '737 patent in violation of 35 U.S.C. § 271(c).

8           42.     The accused products for purposes of the '737 patent include but are not limited  
9 to Yamaha portable recorders, including, but not limited to, the Pocketrak CX, C24, W24 and 2G  
10 portable recorders.

11           43.     The accused products, alone or in combination with other products, practice each  
12 of the limitations of independent claims 1, 4, 9, 11, and 13, and dependent claims 2 through 3, 6  
13 through 8, 10, and 12 of the '737 patent.

14           44.     Upon information and belief, Defendants, without authority, have actively  
15 induced infringement and continue to actively induce infringement of the '737 patent in violation  
16 of 35 U.S.C. § 271(b) by causing others to directly infringe the claims of the '737 patent and/or  
17 by intentionally instructing others how to use the accused products in a manner that infringes the  
18 claims of the '737 patent. On information and belief, Defendants have induced and continue to  
19 induce infringement by instructing customers to operate the products in an infringing manner  
20 and/or when Defendants test or otherwise operate the accused products in the United States.

21           45.     Upon information and belief, Defendants, without authority, have contributed to  
22 and continue to contribute to the infringement of the '737 patent in violation of 35 U.S.C. §  
23 271(c) by importing into the United States, selling and/or offering to sell within the United States  
24 accused products that (1) constitute a material part of the invention of the '737 patent, (2)  
25 Defendant knows to be especially adapted for use in infringing the '737 patent, and (3) are not  
26 staple articles of commerce suitable for substantial noninfringing use with respect to the '737  
27 patent.

28           46.     Based on information and belief, Plaintiff alleges that Defendants sell, ship, or

1 otherwise deliver the accused products with all the features required to infringe the asserted  
2 claims of the '737 patent. On information and belief, these products are designed to practice the  
3 infringing features.

4 47. Defendants had knowledge of infringement of the '737 patent since at least the  
5 filing of this complaint and perhaps as early as 2010 by virtue of the Plaintiff's filing of  
6 complaints against others within Defendants' industry. On information and belief, Defendants  
7 have continued to sell products that practice the '737 patent after acquiring knowledge of  
8 infringement.

9 48. Upon information and belief, the infringement by Defendants has been and is  
10 willful.

11 49. Plaintiff has been irreparably harmed by these acts of infringement and has no  
12 adequate remedy at law. Upon information and belief, infringement of the '737 patent is  
13 ongoing and will continue unless Defendants are enjoined from further infringement by the  
14 court.

#### 15 **COUNT FOUR**

#### 16 **INFRINGEMENT OF THE '774 PATENT BY DEFENDANT**

17 50. Plaintiff re-alleges and incorporates by reference each of the allegations set forth  
18 in paragraphs 1 through 19 above.

19 51. Upon information and belief, Defendants, without authority, (a) have directly  
20 infringed and continue to directly infringe the '774 patent by making, using, offering to sell, or  
21 selling within the United States, or importing into the United States, products that practice one  
22 ore more claims of the '774 patent in violation of 35 U.S.C. § 271(a); (b) have induced and  
23 continue to induce infringement of one or more claims of the '774 patent in violation of 35  
24 U.S.C. § 271(b); and (c) have contributed and continue to contribute to the infringement of one  
25 ore more claims of the '774 patent in violation of 35 U.S.C. § 271(c).

26 52. The accused products for purposes of the '774 patent include but are not limited  
27 to Yamaha portable recorders, including, but not limited to, the Pocketrak CX, C24, and W24  
28 portable recorders.

1           53.     The accused products, alone or in combination with other products, practice each  
2 of the limitations of independent claims 33 and 34, and dependent claims 2 through 4, 6 through  
3 8, 10 through 11, 15 through 18, 23 through 27, and 28 through 32 of the '774 patent.

4           54.     Upon information and belief, Defendants, without authority, have actively  
5 induced infringement and continue to actively induce infringement of the '774 patent in violation  
6 of 35 U.S.C. § 271(b) by causing others to directly infringe the claims of the '774 patent and/or  
7 by intentionally instructing others how to use the accused products in a manner that infringes the  
8 claims of the '774 patent. On information and belief, Defendants have induced and continue to  
9 induce infringement by instructing customers to operate the products in an infringing manner  
10 and/or when Defendants test or otherwise operate the accused products in the United States.

11           55.     Upon information and belief, Defendants, without authority, have contributed to  
12 and continue to contribute to the infringement of the '774 patent in violation of 35 U.S.C. §  
13 271(c) by importing into the United States, selling and/or offering to sell within the United States  
14 accused products that (1) constitute a material part of the invention of the '774 patent, (2)  
15 Defendant knows to be especially adapted for use in infringing the '774 patent, and (3) are not  
16 staple articles of commerce suitable for substantial noninfringing use with respect to the '774  
17 patent.

18           56.     Based on information and belief, Plaintiff alleges that Defendants sell, ship, or  
19 otherwise deliver the accused products with all the features required to infringe the asserted  
20 claims of the '774 patent. On information and belief, these products are designed to practice the  
21 infringing features.

22           57.     Defendants had knowledge of infringement of the '774 patent since at least the  
23 filing of this complaint and perhaps as early as 2010 by virtue of the Plaintiff's filing of  
24 complaints against others within Defendants' industry. On information and belief, Defendants  
25 have continued to sell products that practice the '774 patent after acquiring knowledge of  
26 infringement.

27           58.     Upon information and belief, the infringement by Defendants has been and is  
28 willful.

59. Plaintiff has been irreparably harmed by these acts of infringement and has no adequate remedy at law. Upon information and belief, infringement of the '774 patent is ongoing and will continue unless Defendants are enjoined from further infringement by the court.

## PRAAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment as follows:

1. That Defendants be declared to have infringed the Patents-in-Suit;
2. That Defendants' infringement of the Patents-in-Suit has been deliberate and willful;
3. Preliminarily and permanently enjoining the Defendants, their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them, from infringement of the Patents-in-Suit, including but not limited to any making, using, offering for sale, selling, or importing of unlicensed infringing products within and without the United States;
4. Compensation for all damages caused by Defendants' infringement of the Patents-in-Suit to be determined at trial;
5. Enhancing Plaintiff's damages up to three (3) times their amount pursuant to 35 U.S.C. § 284;
6. Granting Plaintiff pre- and post-judgment interest on its damages, together with all costs and expenses; and
7. Awarding such other relief as this Court may deem just and proper.

## HANDAL & ASSOCIATES

Dated: October 22, 2012

By: /s/ Gabriel G. Hedrick

Anton N. Handal  
Gabriel G. Hedrick  
Pamela C. Chalk  
Attorneys for Plaintiff  
e.Digital Corporation

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury on all claims.

**HANDAL & ASSOCIATES**

Dated: October 22, 2012

By: /s/ Gabriel G. Hedrick

Anton N. Handal  
Gabriel G. Hedrick  
Pamela C. Chalk  
Attorneys for Plaintiff  
e.Digital Corporation