IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

PENOVIA LLC,)
Plaintiff,))
v.) Civil Action No
CREATIVE LABS, INC.,)) JURY TRIAL DEMANDED
Defendant.)

COMPLAINT

For its Complaint, Plaintiff Penovia LLC ("Penovia"), by and through the undersigned counsel, alleges as follows:

THE PARTIES

 Penovia is a Texas limited liability company with a place of business located at 3400 Silverstone Drive, Suite 191B, Plano, Texas 75023.

2. Defendant Creative Labs, Inc. is a California corporation with, upon information and belief, a place of business at 1901 McCarthy Boulevard, Milpitas, California 95035.

JURISDICTION AND VENUE

3. This action arises under the Patent Act, 35 U.S.C. § 1 *et seq*.

4. Subject matter jurisdiction is proper in this Court under 28 U.S.C. §§ 1331 and 1338.

5. Upon information and belief, Defendant conducts substantial business in this forum, directly or through intermediaries, including: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct and/or deriving substantial revenue from goods and services provided to individuals

in this district.

6. Venue is proper in this district pursuant to §§ 1391(b), (c) and 1400(b).

THE PATENT-IN-SUIT

7. On October 13, 1998, United States Patent No. 5,822,221 (the "221 patent"), entitled "Office Machine Monitoring Device" was duly and lawfully issued by the U.S. Patent and Trademark Office. A true and correct copy of the 221 patent is attached hereto as Exhibit A.

8. Penovia is the assignee and owner of the right, title and interest in and to the '221 patent, including the right to assert all causes of action arising under said patent and the right to any remedies for infringement of it.

<u>COUNT I – INFRINGEMENT OF U.S. PATENT NO. 5,822,221</u>

9. Penovia repeats and realleges the allegations of paragraphs 1 through 8 as if fully set forth herein.

10. Without license or authorization and in violation of 35 U.S.C. § 271(a), Defendant has infringed and continues to infringe the '221 patent by making, using, offering for sale, and/or selling within this district and elsewhere in the United States and/or importing into this district and elsewhere in the United States, products or services related to office machine monitoring systems, including but not limited to the Creative D100 Wireless Bluetooth Speaker.

11. Penovia is entitled to recover from Defendant the damages sustained by Penovia as a result of Defendant's infringement of the '221 patent in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

JURY DEMAND

Penovia hereby demands a trial by jury on all issues so triable.

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PRAYER FOR RELIEF

WHEREFORE, Penovia requests that this Court enter judgment against Defendant as follows:

A. An adjudication that Defendant has infringed the '221 patent;

B. An award of damages to be paid by Defendant adequate to compensate Penovia for Defendant's past infringement of the '221 patent and any continuing or future infringement through the date such judgment is entered, including interest, costs, expenses and an accounting of all infringing acts including, but not limited to, those acts not presented at trial;

C. A declaration that this case is exceptional under 35 U.S.C. § 285 and an award of Penovia's reasonable attorneys' fees; and

D. An award to Penovia of such further relief at law or in equity as the Court deems just and proper.

Dated: March 3, 2014 /s/Andrew W. Spangler Andrew W. Spangler TX SB #24041960 spangler@spanglerlawpc.com Spangler Law P.C. 208 N. Green Street, Suite 300 Longview, TX 75601 Telephone: (903) 753-9300 Facsimile: (903) 553-0403 Stamatios Stamoulis DE SB #4606 stamoulis@swdelaw.com Richard C. Weinblatt DE SB #5080 weinblatt@swdelaw.com Stamoulis & Weinblatt LLC Two Fox Point Centre 6 Denny Road, Suite 307 Wilmington, DE 19809 Telephone: (302) 999-1540 Facsimile: (302) 762-1688 Attorneys for Plaintiff Penovia LLC