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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

CAPNA IP CAPITAL LLC,

Plaintiff,

v.

ETZ HAYIM HOLDINGS, S.P.C.,

Defendant.

Civil Action No. 23-cv-281

COMPLAINT FOR PATENT
INFRINGEMENT

JURY DEMAND

Plaintiff Capna IP Capital LLC (“Capna” or “Plaintiff”), files this Complaint for Patent Infringement against ETZ Hayim Holdings, S.P.C., doing business as Lazarus Naturals (“Lazarus Naturals” or “Defendant”), and would respectfully show the Court as follows:

PARTIES

1. Plaintiff is a California limited liability company having an address located at 12400 Ventura Blvd, #635, Studio City, California 91604.

2. Defendant is a Washington social purpose corporation with a principal address at 1116 NW 51st Street, Seattle, Washington 98107. Defendant may be served via its registered agent at Northwest Registered Agent, LLC, 522 Riverside Avenue, Suite N, Spokane, WA 99201-0580.

3. On information and belief, Defendant directly and/or indirectly develops, designs, manufactures, distributes, markets, offers to sell and/or sells infringing products and services in

1 the United States, including in the Western District of Washington, and otherwise directs infringing
2 activities to this District in connection with its products and services.

3 **JURISDICTION**

4 4. This civil action arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et*
5 *seq.*, including without limitation 35 U.S.C. §§ 271, 281, 283, 284, and 285 based on Defendant's
6 unauthorized commercial manufacture, use, importation, offer for sale, and sale of the Accused
7 Products in the United States. This is a patent infringement lawsuit over which this Court has
8 subject matter jurisdiction under, *inter alia*, 28 U.S.C. §§ 1331, 1332, and 1338(a).

9 5. This United States District Court for the Western District of Washington has general
10 and specific personal jurisdiction over Defendant because, directly or through intermediaries,
11 Defendant has committed acts within the District giving rise to this action and are present in and
12 transact and conduct business in and with residents of this District and the State of Washington.

13 6. Plaintiff's causes of action arise, at least in part, from Defendant's contacts with
14 and activities in this District and the State of Washington.

15 7. Defendant has committed acts of infringing the patents-in-suit within this District
16 and the State of Washington by making, using, selling, offering for sale, and/or importing in or
17 into this District and elsewhere in the State of Washington, products claimed by the patents-in-suit,
18 including without limitation products made by practicing the claimed methods of the patents-in-
19 suit. Defendant, directly and through intermediaries, makes, uses, sells, offers for sale, imports,
20 ships, distributes, advertises, promotes, and/or otherwise commercializes such infringing products
21 into this District and the State of Washington. Defendant regularly conducts and solicits business
22 in, engages in other persistent courses of conduct in, and/or derives substantial revenue from goods
23 and services provided to residents of this District and the State of Washington.

1 8. This Court has personal jurisdiction over Defendant because Defendant has
2 minimum contacts with this forum as a result of business regularly conducted within the State of
3 Washington and within this district, and, on information and belief, specifically as a result of, at
4 least, committing the tort of patent infringement within Washington and this District. This Court
5 has personal jurisdiction over Defendant, in part, because Defendant does continuous and
6 systematic business in this District, including by providing infringing products and services to the
7 residents of the Western District of Washington that Defendant knew would be used within this
8 District, and by soliciting business from the residents of the Western District of Washington. For
9 example, Defendant is subject to personal jurisdiction in this Court because, *inter alia*, Defendant
10 has regular and established places of business throughout this District, including at least at 1116
11 North West 51st St, Seattle, Washington 98107, and directly and through agents regularly does,
12 solicits, and transacts business in the Western District of Washington. Also, Defendant has hired
13 within this District for positions that, on information and belief, relate to infringement of the
14 patents-in-suit. Accordingly, this Court’s jurisdiction over the Defendant comports with the
15 constitutional standards of fair play and substantial justice and arises directly from the Defendant’s
16 purposeful minimum contacts with the State of Washington.

17 9. This Court also has personal jurisdiction over Defendant, because in addition to
18 Defendant’s own online website and advertising within this District, Defendant has also made its
19 products available within this judicial district and advertised to residents within the District to hire
20 employees to be located in this District.

21 10. The amount in controversy exceeds \$75,000 exclusive of interests and costs.

22 11. Venue is proper in this Court under 28 U.S.C. § 1400(b) based on information set
23 forth herein, which is hereby repeated and incorporated by reference. Further, upon information
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1 and belief, Defendant has committed or induced acts of infringement, and/or advertise, market,
2 sell, and/or offer to sell products, including infringing products, in this District. In addition, and
3 without limitation, Defendant has regular and established places of business throughout this
4 District, including at least at 1116 North West 51st St, Seattle, Washington 98107.

5 **THE PATENTS-IN-SUIT**

6 12. On December 17, 2019, United States Patent No. 10,507,407 (“the ’407 Patent”),
7 entitled “Methods to reduce chlorophyll co-extraction through extraction of select moieties
8 essential oils and aromatic isolates” was duly and legally issued by the United States Patent and
9 Trademark Office (“USPTO”). The ’407 Patent claims patent-eligible subject matter and is valid
10 and enforceable. Capna is the exclusive owner by assignment of all rights, title, and interest in
11 the ’407 Patent, including the right to bring this suit for damages, and including the right to sue
12 and recover all past, present, and future damages for infringement of the ’407 Patent. Defendant is
13 not licensed to the ’407 Patent, either expressly or implicitly, nor do they enjoy or benefit from
14 any rights in or to the ’407 patent whatsoever. A true and correct copy of the ’407 patent is attached
15 hereto as **Exhibit A**.

16 13. On October 27, 2020, United States Patent No. 10,814,248 (“the ’248 Patent”),
17 entitled “Methods to reduce chlorophyll co-extraction through extraction of select moieties
18 essential oils and aromatic isolates” was duly and legally issued by the United States Patent and
19 Trademark Office (“USPTO”). The ’248 Patent claims patent-eligible subject matter and is valid
20 and enforceable. Capna is the exclusive owner by assignment of all rights, title, and interest in
21 the ’248 Patent, including the right to bring this suit for damages, and including the right to sue
22 and recover all past, present, and future damages for infringement of the ’248 Patent. Defendant is
23 not licensed to the ’248 Patent, either expressly or implicitly, nor do they enjoy or benefit from
24

1 any rights in or to the '248 patent whatsoever. A true and correct copy of the '248 patent is attached
2 hereto as **Exhibit B**.

3 14. The '407 Patent and the '248 Patent are referred to herein as the "patents-in-suit."

4 15. Plaintiff Capna is the owner of the entire right, title, and interest in and to the
5 patents-in-suit. The patents-in-suit are presumed valid under 35 U.S.C. § 282.

6 **ACCUSED INSTRUMENTALITIES**

7 16. The term "Accused Instrumentalities" or "Accused Products" refers to, by way of
8 example and without limitation, Lazarus's cold ethanol extraction system (e.g.
9 <https://www.lazarusnaturals.com/blog/post/a-peek-into-the-lazarus-naturals-extraction-process>).

10 **COUNT I**
11 **PATENT INFRINGEMENT OF THE '407 PATENT**

12 17. Plaintiff restates and realleges the preceding paragraphs of this Complaint as if fully
13 set forth herein.

14 18. Defendant has, under 35 U.S.C. §271(a), directly infringed, and continues to
15 directly infringe, literally and/or under the doctrine of equivalents, one or more claims, including
16 without limitation at least claim 1 of the '407 Patent, by making, using, testing, selling, offering
17 for sale and/or importing into the United States Defendant's Accused Products.

18 19. On information and belief, Defendant has made no attempt to design around the
19 claims of the '407 Patent.

20 20. On information and belief, Defendant did not have a reasonable basis for believing
21 that the claims of the '407 Patent were invalid.

22 21. On information and belief, Defendant's Accused Products are available to
23 businesses and individuals throughout the United States and in the State of Washington, including
24 in this District.

1 22. Capna has been damaged as the result of Defendant's infringement.

2 23. The claim charts attached hereto as **Exhibit C** describes how the elements of an
3 exemplary claim 1 from the '407 Patent are infringed by the Accused Products. This provides
4 details regarding only one example of Defendant's infringement, and only as to a single patent
5 claim. Plaintiff reserves its right to amend and fully provide its infringement arguments and
6 evidence thereof until its Preliminary and Final Infringement Contentions are later produced
7 according to the court's scheduling order in this case.

8 **COUNT II**
9 **PATENT INFRINGEMENT OF THE '248 PATENT**

10 24. Plaintiff restates and realleges the preceding paragraphs of this Complaint as if fully
11 set forth herein.

12 25. Defendant has, under 35 U.S.C. §271(a), directly infringed, and continues to
13 directly infringe, literally and/or under the doctrine of equivalents, one or more claims, including
14 without limitation at least claim 1 of the '248 Patent, by making, using, testing, selling, offering
15 for sale and/or importing into the United States Defendant's Accused Products.

16 26. On information and belief, Defendant has made no attempt to design around the
17 claims of the '248 Patent.

18 27. On information and belief, Defendant did not have a reasonable basis for believing
19 that the claims of the '248 Patent were invalid.

20 28. On information and belief, Defendant's Accused Products are available to
21 businesses and individuals throughout the United States and in the State of Washington, including
22 in this District.

23 29. Capna has been damaged as the result of Defendant's infringement.

JURY TRIAL DEMANDED

Pursuant to FED. R. CIV. P. 38, Plaintiff Capna hereby demands a trial by jury on all issues so triable.

DATED February 28, 2023.

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