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7 ELATION LIGHTING INC.

8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA

10 ELATION LIGHTING INC., a Nevada  
11 corporation,

12 Plaintiff,

13 v.

14 A.C. LIGHTING INC., a Canadian  
corporation, PLASA, a United Kingdom  
15 limited company, ENTERTAINMENT  
SERVICES AND TECHNOLOGY  
16 ASSOCIATION, f/k/a PLASA NORTH  
AMERICA, a California nonprofit mutual  
17 benefit corporation, and DOES 1-10,

18 Defendants.  
19  
20

Case No.

**COMPLAINT FOR:**

- (1) **VIOLATION OF THE  
SHERMAN ACT; AND**  
(2) **VIOLATION OF  
CALIFORNIA UNFAIR  
COMPETITION LAW**

**DEMAND FOR JURY TRIAL**

1 Plaintiff ELATION LIGHTING INC. for its claims against defendants A.C.  
2 LIGHTING INC., PLASA, ENTERTAINMENT SERVICES AND TECHNOLOGY  
3 ASSOCIATION f/k/a PLASA NORTH AMERICA and DOES 1 through 10, alleges as  
4 follows:

5 **THE PARTIES**

6 1. Plaintiff ELATION LIGHTING INC. (“Plaintiff” or “Elation”) is a Nevada  
7 corporation with its principle place of business at 6122 South Eastern Avenue, Los Angeles,  
8 California 90040.

9 2. Defendant A.C. LIGHTING INC. (“A.C. Lighting”) is, on information and  
10 belief, a Canadian corporation with its principle place of business at 88 Horner Avenue,  
11 Toronto, Ontario, Canada M8Z 5Y3.

12 3. Defendant PLASA (“PLASA”) is, on information and belief, a United  
13 Kingdom limited company with its principle place of business at Redoubt House, 1 Edward  
14 Road, Eastbourne, BN23 8A5, UK.

15 4. Defendant ENTERTAINMENT SERVICES AND TECHNOLOGY  
16 ASSOCIATION f/k/a PLASA NORTH AMERICA (“ESTA”) is, on information and  
17 belief, a California nonprofit mutual benefit corporation with its principle place of business  
18 at 875 Sixth Avenue, Suite 2302, New York, New York 10001.

19 5. Elation is informed and believe that each of the defendants designated here as  
20 a Doe is responsible in some manner for the events and happenings herein alleged, as well  
21 as for the damages alleged. (Hereinafter, the named Defendants and the Doe defendants  
22 are collectively referred to as “Defendants.”)

23 6. Elation is informed and believe that each of defendants A.C. Lighting, PLASA  
24 and ESTA (collectively, the “Defendants”) was the agent or employee of each of the  
25 remaining defendant and, at all relevant times herein, acted within the course and scope of  
26 such agency and/or employment.

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**JURISDICTION AND VENUE**

7. This action is subject to the jurisdiction of this Court pursuant to the Sherman Antitrust Act (15 U.S.C. §§ 1, 2) and the Clayton Act (15 U.S.C. §§ 15, 26); 28 U.S.C. §§ 1331, 1337(a) and §1367(a).

8. This Court also has jurisdiction based upon 28 U.S.C. §1332 (diversity and amount in controversy in excess of \$75,000, exclusive of interest and costs).

9. This Court has personal jurisdiction over Defendants because, inter alia, (1) each of the Defendants or their respective agents are doing business in this district, and (2) Elation is informed and believe that a substantial part of the wrongful acts alleged herein have occurred in interstate commerce, in the State of California, and in the Central District of California.

10. Venue is proper in this District under 28 U.S.C. § 1391(b), because a substantial part of the acts and circumstances giving rise to this action occurred in this District, and all Defendants are subject to personal jurisdiction in this District.

**FACTUAL ALLEGATIONS**

11. Plaintiff Elation is part of the American DJ Group of companies which is one of the most well-known manufacturers of stage lighting equipment in the world having facilities and sales on every continent and historical marketing expenditures of these trademarks well over a billion dollars. In the United States alone, in addition to specialized distributors and dealers, the American DJ Group sells its products through Amazon, Best Buy, Guitar Center and many other mainline and specialized sellers and dealers.

12. Elation has been operating for over 21 years designing, manufacturing, advertising and selling high-end products in the specialized market for special effects, stage, night club, DJ entertainment, architectural and accent lighting effects.

13. Defendants PLASA and ESTA are the self-proclaimed lead international membership body for those who supply technologies and services to the event, entertainment and installation industries, and looks after the interests of its members and seeks to influence business practices and skills development across the industry. PLASA

owns and manages the PLASA Show, an annual exhibition that connects the international live entertainment technology industry and ranks as one of the premier shows of its kind. According to PLASA, the PLASA Show presents ground-breaking technology and exciting new launches by the world's greatest designers and engineers to an international audience of pro audio, lighting, broadcast, AV and stage technology experts.

14. Elation has for many years been a member of both PLASA and ESTA and has exhibited its entertainment, architectural and accent lighting device at the PLASA Show in the United States and Europe.

15. Defendant A.C. Lighting is, on information and belief, a self-proclaimed supplier of world-class lighting and associated rigging and video technologies for the theater, film, television, worship, exhibition and commercial markets. According to A.C. Lighting, its vast choice and stockholding of products, accessories and consumables, coupled with in-house cable manufacturing facilities, provide a complete 'one-stop' service to meet all lighting needs.

16. One of Elation's currently lighting devices is the Elation Colour Chorus lighting fixture; which is available in 1 (0.3m), 2 (0.6m), 4 (1.2m), and 6 foot (1.8m) fixture lengths, featuring long life individual 3W (Red, Green, Blue, Amber) LEDs, 100,000 hour average LED life, individual hue, saturation, and intensity control, LED group control, variable dimming curve modes, strobe and chase effects.

17. On or about July 10, 2015, A.C. Lighting filed a complaint with PLASA and ESTA alleging, inter alia, that Elation violated the PLASA/ESTA Code of Conduct by exhibiting, advertising, marketing and selling its Colour Chorus lighting fixture which A.C. Lighting alleges infringes its Chroma-Q Color Force lighting fixture. In its complaint, A.C. Lighting did not provide any evidence concerning or relating to any valid patent, copyright, trademark, trade secret or other intellectual property contain within the Chroma-Q Color Force lighting fixture.

18. In or about late December 2015, PLASA and ESTA send to Elation a copy of A.C. Lighting's complaint and demanded Elation's written response by January 14, 2016.

1 According to PLASA and ESTA, even though A.C. Lighting provided no evidence to  
2 support its allegation that Elation violated the PLASA/ESTA Code of Conduct, if Elation  
3 did not provide a written response, PLASA and ESTA would treat the alleged facts in A.C.  
4 Lighting's complaint as having been admitted by Elation.

5 19. On or about January 14, 2016, Elation sent to PLASA and ESTA its written  
6 response wherein Elation explicitly refuted A.C. Lighting's allegations and requested a copy  
7 of any utility patent (or application), design patent, copyright or trademark A.C. Lighting  
8 asserts Elation allegedly infringes. To date, Defendants have refused to identify any  
9 intellectual property A.C. Lighting owns which is present in its Chroma-Q Color Force  
10 lighting device and to which Elation allegedly infringes.

11 20. Despite the sheer lack of evidence of any infringement of intellectual property  
12 belonging to A.C. Lighting, on or about February 10, 2016, PLASA and ESTA requested  
13 Elation attend a teleconference with A.C. Lighting and members of the PLASA and ESTA  
14 ethics committee hearing panel to discuss the allegations in A.C. Lighting's complaint.  
15 Representatives for PLASA and ESTA communicated to representatives for Elation that  
16 the result of the teleconference and complaint will be, at the very least, a suspension from  
17 participation in PLASA and ESTA tradeshow, particularly the PLASA Show, and could  
18 rise to the level of a lifetime ban of Elation as a member of PLASA and ESTA.

19 21. Upon information and belief, Defendants are well aware that the A.C. Lighting  
20 Chroma-Q Color Force lighting fixture contains no protectable intellectual property  
21 belonging to A.C. Lighting. Upon information and belief, Defendants are seeking a license  
22 from Elation relating to its continued sale of its Colour Chorus lighting fixtures for the sole  
23 purpose of preventing Elation from competing fairly and maintaining its market share over  
24 its competitors, particularly A.C. Lighting.

### 25 **FIRST CLAIM OF RELIEF**

#### 26 **(Conspiracy in Restraint of Trade in Violation of Sherman Act, Section 1)**

27 22. Elation repeats and incorporates by reference into this claim each of the  
28 preceding and following allegations of this complaint.

23. Defendants have knowingly and intentionally engaged, and continue to engage, in an unlawful conspiracy that has unreasonably restrained trade in violation of Section 1 of the Sherman Act, 15 U.S. C. § 1. Defendants' actions include, but are not limited to:

- a. Intentionally, systematically, unlawfully and unfairly alleging Elation's Colour Chorus lighting fixture infringes intellectual property A.C. Lighting allegedly has in its Chroma Q-Color Force lighting fixture;
- b. Repeatedly refusing to provide, upon request by Elation, a copy of A.C. Lighting's utility patent, design patent, copyright or trademark Defendants assert Elation allegedly infringes.
- c. Intentionally, systematically, unlawfully and unfairly publicizing the false and knowingly misleading information that Elation and its Colour Chorus lighting fixture infringes intellectual property A.C. Lighting allegedly has in its Chroma Q-Color Force lighting fixture; and
- d. Intentionally, systematically, unlawfully and unfairly engaging in proceedings designed to prevent Elation from marketing, advertising and/or selling its entertainment, architectural and accent lighting fixtures, including particularly the Colour Chorma lighting fixture, without payment of royalties to A.C. Lighting for a license to intellectual property that does not exist.

24. As a direct and proximate result of this illegal, tortious and anticompetitive conduct, the Defendants have undermined and foreclosed competition in a substantial share of the affected commerce. Specifically, the Defendants have maintained and expanded A.C. Lighting's market power in the relevant entertainment, architectural and accent lighting market, and caused a significant adverse effect on a substantial volume of commerce in the market.

25. The anticompetitive effect of the Defendants' unlawful and anticompetitive conduct outweighs any ostensible procompetitive benefits.

1           26. As a direct and proximate result of the Defendants' unlawful and  
2 anticompetitive conduct, Elation has been injured and damaged in its business and  
3 property.

4                                   **SECOND CLAIM FOR RELIEF**

5                                   **(Unfair Competition)**

6           27. Elation repeats and incorporates by reference into this claim each of the  
7 preceding and following allegations of this complaint.

8           28. California Business and Professions Code § 17200, et seq. prohibits unlawful,  
9 unfair or fraudulent business practices.

10          29. Defendants have engaged, and continue to engage, in unlawful and/or unfair  
11 business practices in violation of the California Business and Professional Code as described  
12 in this complaint, including, but not limited to:

13                   e. Intentionally, systematically, unlawfully and unfairly alleging Elation's

14                   Colour Chorus lighting fixture infringes intellectual property A.C.

15                   Lighting allegedly has in its Chroma Q-Color Force lighting fixture;

16                   f. Repeatedly refusing to provide, upon request by Elation, a copy of A.C.

17                   Lighting's utility patent, design patent, copyright or trademark

18                   Defendants assert Elation allegedly infringes.

19                   g. Intentionally, systematically, unlawfully and unfairly publicizing the

20                   false and knowingly misleading information that Elation and its Colour

21                   Chorus lighting fixture infringes intellectual property A.C. Lighting

22                   allegedly has in its Chroma Q-Color Force lighting fixture; and

23                   h. Intentionally, systematically, unlawfully and unfairly engaging in

24                   proceedings designed to prevent Elation from marketing, advertising

25                   and/or selling its entertainment, architectural and accent lighting

26                   fixtures, including particularly the Colour Chorma lighting fixture,

1 without payment of royalties to A.C. Lighting for a license to  
2 intellectual property that does not exist.

3 30. The illegal, unlawful and unfair conduct of Defendants is in violation of the  
4 law.

5 31. The acts of Defendants alleged herein were done in the course of business,  
6 and for a business purpose. As a proximate result of these unlawful and unfair business  
7 practices, the public has been and continues to be deceived. Elation is entitled to injunctive  
8 relief restraining Defendants, their agents, servants, and employees, and all persons acting  
9 under, in concert with, or for them, from committing or continuing any of the unfair  
10 business practices alleged herein, or any other business practice which unfairly harms  
11 Elation, or which is likely to confuse or deceive the public.

12 32. As a further direct and proximate result of Defendants' false allegations of  
13 intellectual property infringement of A.C. Lighting's Chroma Q-Color Force lighting  
14 fixture, Elation has suffered economic damages, which continue to accrue by the  
15 continuance of such wrongful conduct, and Elation is therefore entitled to an award of  
16 compensatory damages according to proof.

17 33. Defendants have also been unjustly enriched by profits derived from sales of  
18 the Chroma Q-Color Force lighting fixture attributable to Defendants' false allegations of  
19 intellectual property infringement; Defendants should be ordered to account for such  
20 profits and pay them over to Elation.

21 34. The aforementioned conduct of false allegations of intellectual property  
22 infringement by Defendants was oppressive and malicious, and done in conscious disregard  
23 of the rights of Elation, entitling Elation to an award of exemplary and punitive damages  
24 for such conduct, as allowed by law.

25 35. No complete remedy exists at law for the injuries suffered by Elation herein  
26 insofar as further irreparable harm will result to Elation from Defendants' continued or  
27 future violation of the Business and Professions Code absent injunctive relief. Therefore,  
28 Elation requests appropriate injunctive relief.

**PRAYER FOR RELIEF**

WHEREFORE, Elation prays for judgment against Defendants as follows:

1) For an injunction, permanently and pending final judgment in this case, precluding the Defendants and each of them and the agents, employees, and representatives of each of them from asserting or alleging Elation violates the intellectual property rights of A.C. Lighting, or from restricting and/or preventing Elation from maintaining its membership in PLASA and/or ESTA, or from restricting and/or preventing Elation from attending and exhibiting its entertainment, architectural and accent lighting fixtures at PLASA and ESTA sponsored/promoted tradeshow;

2) Compensatory damages for Defendants' false allegations of intellectual property infringement according to proof;

3) For an accounting by A.C. Lighting of all profits derived from the sale of the Chroma Q-Color Force lighting apparatus, and for payment of same to and Elation;

4) That such damages be trebled pursuant to 15 U.S.C. § 15;

5) Exemplary and punitive damages for false and misleading allegations of intellectual property infringement as allowed by law;

6) Injunctive relief restraining Defendants, their agents, servants, and employees, and all persons acting under, in concert with, or for them, from interfering with Elation and its entertainment, architectural and accent lighting business;

7) Other appropriate equitable relief, including the imposition of affirmative duties upon Defendants, which are reasonably necessary to protect Elation's entertainment, architectural and accent lighting business, now and in the future.

8) For Elation's attorneys' fees and costs incurred in this action; and

9) For such other and further relief as the Court may deem just and proper.

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**DEMAND FOR JURY TRIAL**

Plaintiff ELATION LIGHTING INC. requests a trial by jury on all claims and defenses triable.

Dated: February 24, 2016

SHERMAN IP LLP

By: /s/ Joshua A. Schaul  
Kenneth L. Sherman  
Joshua A. Schaul

Attorneys for  
ELATION LIGHTING INC.