

Liberator, Inc.; Nalpac Enterprises, Ltd. d/b/a Nalpac, Ltd.; Satistec, LLC; Universal Distributor;
Williams Trading Co., Inc.; W.T.F.N. Inc. d/b/a Holiday Products; Barnaby Ltd.; L. F. P., Inc.;

LLC and Web Merchants, Inc. (hereinafter collectively referred to as "Defendants")

14. On information and belief, Defendant Liberator, Inc. ("Liberator") is a Nevada corporation and maintains its principal place of business at 202 N. Carson St., Carson City, NV 89701.

15. On information and belief, Defendant Nalpac Enterprises, Ltd. d/b/a Nalpac, Ltd. ("Nalpac") is a Michigan corporation and maintains its principal place of business at 1111 E. 8 Mile Road, Ferndale, MI 58220-2656.

16. On information and belief, Defendant Satis tec, LLC ("Satis tec") is a Nevada corporation and maintains its principal place of business at 3960 Howard Hughes Parkway, Suite 500, Las Vegas, NV 89169.

17. On information and belief, Defendant Universal Distributor ("Universal Distributor") is a California corporation and maintains its principal place of business at 2110 Centre Pointe Parkway, Santa Clarita, CA 91350.

18. On information and belief, Defendant Williams Trading Co., Inc. ("WTC") is a New Jersey corporation and maintains its principal place of business at 9250 Commerce Highway, Pennsauken, NJ 08110.

19. On information and belief, Defendant W.T.F.N. Inc. d/b/a Holiday Products ("WTFN") is a California corporation and maintains its principal place of business 20950 Lassen Street, Chatsworth, CA 91311.

20. On information and belief, Defendant Barnaby Ltd. ("Barnaby") is a California limited liability company and maintains its principal place of business at 934 Howard Street, San Francisco, CA 94103.

21. On information and belief, Defendant L. F. P., Inc. ("LFP Inc.") is a California corporation and maintains its principal place of business at 8484 Wilshire Blvd Ste 900, Beverly Hills, CA 90211.

22. On information and belief, Defendant LFP Internet Group, LLC ("LFP Internet") is a Delaware limited liability company and maintains its principal place of business at 8484 Wilshire Blvd Ste 900, Beverly Hills, CA 90211.

23. On information and belief, Defendant PHE, Inc. ("PHE") is a North Carolina corporation and maintains its principal place of business at 302 Meadowland Drive, Hillsborough, NC 27278-8502.

24. On information and belief, Defendant Polydigitech Inc. ("Polydigitech") is an Illinois corporation and maintains its principal place of business at 721 Limerick Ln, Apt 2B, Schaumburg, IL 60193-3256.

25. On information and belief, Defendant Sawhorse Enterprises, Inc. ("Sawhorse") is a Delaware corporation and maintains its principal place of business at 1061 Sneath Lane, San Bruno, CA 94066.

26. On information and belief, Defendant TEG, L.L.C. ("TEG") is a Texas limited liability company and maintains its principal place of business at 5601 Granite Parkway, Suite 295, Plano, TX 75024.

27. On information and belief, Defendant Web Merchants Inc. ("Web Merchants") is a Delaware corporation and maintains its principal place of business at 1095 Cranbury Road, Suite 7, Jamesburg, NJ 08831.

JURISDICTION AND VENUE

28. This is a civil action for patent infringement under the patent laws of the United States, 35 U.S.C. §§ 1, et seq.; federal trademark infringement, unfair competition, misappropriation, trademark dilution, under the Lanham Act; and trademark infringement, unjust enrichment, unfair competition, and injury to business reputation under Texas common and statutory law. This Court has exclusive subject matter jurisdiction over this case for patent

infringement under 28 U.S.C. §§ 1331 and 1338(a). This Court also has subject matter jurisdiction over this action pursuant to 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331, 1332, 1338 and 1367.

29. On information and belief, venue is proper in the Western District of Texas under 28 U.S.C. §§ 1391 and 1400(b) because Defendants have, on a continual basis, committed infringing acts alleged herein within the Western District of Texas, in business interactions purposefully elicited by Defendants with or directed to residents of this District, including, *inter alia*, actively soliciting and causing infringing and wrongful sales directed into this District, internet website, internet website advertising and promotion, other advertising within this District, and other sales or offers for sale of the infringing products within this District.

FACTS AND BACKGROUND

U.S. Patent No. 5,782,818

30. On July 21, 1998, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,782,818 (the "'818 patent"), titled "*Device for discreet sperm collection*," to Steve A. Shubin ("Shubin"). A true and correct copy of the '818 patent is attached as **Exhibit A**.

31. ILF is the sole and exclusive licensee of all rights, title, and interest in and to the '818 patent and possesses all rights of recovery under the '818 patent, including the right to recover damages for past infringements.

32. The '818 patent is valid and enforceable.

33. On information and belief, Defendants manufacture, use, sell, offer for sale, and/or distribute or offer for distribution one or more products, including but not limited to, sex toys, novelty items and masturbators, and components thereof, that practice each of the elements

of one or more claims of the '818 patent, without license from ILF, in the Western District of Texas and throughout the United States.

34. Defendants' continuing acts of infringement are irreparably harming and causing damage to ILF. ILF has no adequate remedy at law to redress Defendants' continuing acts of infringement. The hardships that would be imposed upon Defendants by an injunction are less than those faced by ILF should an injunction not issue. Furthermore, the public interest would be served by issuance of an injunction.

35. On information and belief, Defendants have knowledge of the '818 patent, and have not ceased their infringing activities in light of such knowledge.

U.S. Patent No. 5,807,360

36. On September 15, 1998, the United States Patent and Trademark Office duly and legally issued United States Patent No. 5,807,360 (the "'360 patent"), titled "*Device for discreet sperm collection*," to Steve A. Shubin. A true and correct copy of the '360 patent is attached as **Exhibit B**.

37. ILF is the sole owner and exclusive licensee of all rights, title, and interest in and to the '360 patent and possesses all rights of recovery under the '360 patent, including the right to recover damages for past infringements.

38. The '360 patent is valid and enforceable.

39. On information and belief, Defendants manufacture, use, sell, offer for sale, and/or distribute or offer for distribution one or more products, including but not limited to, sex toys, novelty items and masturbators, and components thereof, that practice each of the elements of one or more claims of the '360 patent, without license from ILF, in the Western District of Texas and throughout the United States.

40. Defendants' continuing acts of infringement are irreparably harming and causing damage to ILF. ILF has no adequate remedy at law to redress Defendants' continuing acts of infringement. The hardships that would be imposed upon Defendants by an injunction are less than those faced by ILF should an injunction not issue. Furthermore, the public interest would be served by issuance of an injunction.

41. On information and belief, Defendants have knowledge of the '360 patent, and have not ceased their infringing activities in light of such knowledge.

The FLESHLIGHT Trademark

42. ILF and its predecessors have been manufacturing products since it was founded in 1996 by sole-inventor, Steven A. Shubin, and his wife, Kathleen Shubin.

43. ILF's products lead the market with over two-and-a-half million products sold to date. These products incorporate proprietary elastomeric gel compounds and utilize Steven Shubin's patented technology. ILF brands/marks its products with the FLESHLIGHT Mark. Examples of the FLESHLIGHT-branded products can be found in **Exhibit C**.

44. ILF or its predecessors created and began using the trademark "FLESHLIGHT" (the "FLESHLIGHT Mark") in association with its products at least as early as 1997. By virtue of its continuous use of the FLESHLIGHT Mark in commerce since at least as early as 1997, ILF acquired trademark rights in the FLESHLIGHT Mark, both under the Lanham Act and under common law.

45. On November 7, 1997, ILF applied to register the mark with the United States Patent and Trademark Office (the "PTO"). On February 23, 1999, the PTO approved the application and issued a Certificate of Registration under federal Trademark Registration Number 2225503. A true and correct copy of the registration certificate is attached hereto as **Exhibit D**.

46. The FLESHLIGHT Mark has been widely recognized by the public as originating from a single source, namely ILF, and the FLESHLIGHT Mark serves to distinguish ILF's products from those of others. FLESHLIGHT has become one of the most famous names in its market, garnering industry awards such as the XBIZ Web Retailer of the Year, and being widely recognized by consumers in its industry.

47. On information and belief, the FLESHLIGHT Mark is inherently distinctive to the public, and serves primarily as a designator of origin of the products and/or services distributed and sold by ILF.

48. As a result of the widespread use and display of the FLESHLIGHT Mark, (a) the public and the trade use them to identify and refer to ILF's products or services, (b) the public and the trade recognize that such designations refer to high quality products and/or services emanating from a single source, and (c) the FLESHLIGHT Mark has built up secondary meaning and/or extensive goodwill.

49. ILF has expended, and continues to expend, a significant amount of time and money to advertise, offer for sale, and promote its products and services through its distinctive FLESHLIGHT Mark nationwide.

50. On information and belief, Defendant Shenzhen Shaki is a Chinese company that manufactures imitation products. A general description of Shaki Shenzhen is available from its website, <shaki.com>, attached hereto as **Exhibit E**.

51. On information and belief, Shenzhen Shaki is fully aware of ILF's market position and the distinctive FLESHLIGHT Mark. Despite its knowledge of ILF's use of the FLESHLIGHT Mark, Shenzhen Shaki began selling a similar product with an identical name—the FLESHLIGHT—to customers in the same industry as ILF. Representative pictures of Shenzhen Shaki's use of the FLESHLIGHT designator are attached hereto as **Exhibit F**.

52. Shenzhen Shaki's use of "FLESHLIGHT" in its packaging, product name, promotion and advertising constitutes the use in commerce of a colorable imitation and confusingly similar use of the FLESHLIGHT Mark. On information and belief, the two marks will share a confusingly similar sight and sound, and a strong similarity in meaning. In sum, Shenzhen Shaki's use of "FLESHLIGHT" for its products is deceptively and confusingly similar to ILF's long-standing trademark.

53. On information and belief, Shenzhen Shaki's "FLESHLIGHT" products are distributed and sold in the same types of channels and to the same class of purchasers as ILF's family of products.

54. Shenzhen Shaki's use of the FLESHLIGHT Mark is likely to cause confusion, mistake, or deception in the minds of the public.

55. On information and belief, Shenzhen Shaki's infringement constitutes a willful and malicious violation of ILF's trademark rights, aimed at preventing ILF from continuing to build a business around a mark that it has long possessed.

COUNT I
Patent Infringement of U.S. Patent No. 5,782,818

56. This count incorporates by reference paragraphs 1 through 56 as if fully set forth herein.

57. On information and belief, Defendants manufacture, use, sell, offer for sale, and/or distribute or offer for distribution one or more products, including but not limited to sex toys, novelty items, and masturbators, that were manufactured using the method of one or more claims of the '818 patent, without license from ILF, in the Western District of Texas and throughout the United States.

58. By manufacturing, using, selling, offering for sale, and/or distributing or offering for distribution its products, Defendants have directly infringed, and will continue to directly

infringe, one or more claims of the '818 patent under 35 U.S.C. § 271 (a), (b), (c), and/or (f), literally and/or under the doctrine of equivalents.

59. By manufacturing, using, selling, offering for sale, and/or distributing or offering for distribution its products, Defendants have contributorily infringed, and will continue to contributorily infringe, one or more claims of the '818 patent under 35 U.S.C. § 271 (a), (b), (c), and/or (f), literally and/or under the doctrine of equivalents.

60. By manufacturing, using, selling, offering for sale, and/or distributing or offering for distribution its products, Defendants have induced infringement of, and will continue to induce infringement of, one or more claims of the '818 patent under 35 U.S.C. § 271 (b), and/or (f), literally and/or under the doctrine of equivalents.

61. As a direct and proximate consequence of the acts and practices of Defendants, ILF has been, is being and, unless such acts and practices are enjoined by the Court, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. § 284.

62. As a direct and proximate consequence of the acts and practices of Defendants, those defendants have also caused, are causing and, unless such acts and practices are enjoined by the Court, will continue to cause irreparable harm to ILF for which there is no adequate remedy at law, and for which ILF is entitled to injunctive relief under 35 U. S. C. § 283.

63. On information and belief, Defendants' infringement of the '818 patent has been and continues to be willful and deliberate.

COUNT II
Patent Infringement of U.S. Patent No. 5,807,360

64. This count incorporates by reference paragraphs 1 through 64 as if fully set forth herein.

65. On information and belief, Defendants manufacture, use, sell, offer for sale, and/or distribute or offer for distribution one or more products, including but not limited to sex toys, novelty items, and masturbators, that practice each of the elements of one or more claims of the '360 patent, without license from ILF, in the Western District of Texas and throughout the United States.

66. By manufacturing, using, selling, offering for sale, and/or distributing or offering for distribution its products, Defendants have directly infringed, and will continue to directly infringe, one or more claims of the '360 patent under 35 U.S.C. § 271 (a), (b), (c), and/or (f), literally and/or under the doctrine of equivalents.

67. By manufacturing, using, selling, offering for sale, and/or distributing or offering for distribution its products, Defendants have contributorily infringed, and will continue to contributorily infringe, one or more claims of the '360 patent under 35 U.S.C. § 271 (a), (b), (c), and/or (f), literally and/or under the doctrine of equivalents.

68. By manufacturing, using, selling, offering for sale, and/or distributing or offering for distribution its products, Defendants have induced infringement of, and will continue to induce infringement of, one or more claims of the '360 patent under 35 U.S.C. § 271 (b), and/or (f), literally and/or under the doctrine of equivalents.

69. As a direct and proximate consequence of the acts and practices of Defendants, ILF has been, is being and, unless such acts and practices are enjoined by the Court, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. § 284.

70. As a direct and proximate consequence of the acts and practices of Defendants, those defendants have also caused, are causing and, unless such acts and practices are enjoined

by the Court, will continue to cause irreparable harm to ILF for which there is no adequate remedy at law, and for which ILF is entitled to injunctive relief under 35 U. S. C. § 283.

71. On information and belief, Defendants' infringement of the '360 patent has been and continues to be willful and deliberate.

COUNT III
Trademark Infringement Under 15 U.S.C. § 1114

72. ILF repeats and realleges each and every allegation of Paragraphs 1 to 72 of this Complaint as if fully set forth herein.

73. On information and belief, Defendant Shenzhen Shaki's use of the "FLESHLIGHT" mark and name comprises an infringement of the FLESHLIGHT Mark and is likely to cause confusion, mistake and deception of the public as to the identity of ILF's goods, causing irreparable harm to ILF for which there is no adequate remedy at law.

74. As a direct and proximate consequence of the acts and practices of Shenzhen Shaki, Shenzhen Shaki has also caused, is causing and, unless such acts and practices are enjoined by the Court, will continue to cause irreparable harm to ILF for which there is no adequate remedy at law, and for which ILF is entitled to injunctive relief under 15 U.S.C. § 1116(a).

75. As a direct and proximate consequence of the acts and practices of Shenzhen Shaki, ILF has been, is being and, unless such acts and practices are enjoined by the Court, will continue to be injured in its business and property rights, and has suffered, is suffering, and will continue to suffer injury and damages for which it is entitled to relief under 15 U.S.C. § 1117(a).

76. On information and belief, ILF alleges that the aforesaid acts were committed with willful intent for the purpose of trading upon ILF's goodwill and business reputation, with knowledge of the lack of right to do so, and said acts have caused ILF damage for which it is entitled to relief under 15 U.S.C. § 1117(b).

COUNT IV
Unfair Competition and Misappropriation
Under 15 U.S.C. § 1125(A)

77. ILF repeats and realleges each and every allegation of Paragraphs 1 to 77 of this Complaint as if fully set forth herein.

78. The foregoing acts of Shenzhen Shaki permit Shenzhen Shaki to use and benefit from the goodwill and reputation earned by ILF to obtain a ready customer acceptance of Shenzhen Shaki's products, and constitute unfair competition, palming off, and misappropriation in violation of 15 U.S.C. § 1125(a), for which ILF is entitled to recover any and all remedies provided by 15 U.S.C. § 1125, *et. seq.*

79. On information and belief, Shenzhen Shaki has advertised, promoted, offered for sale and sold in the United States and within the Western District of Texas, products under the FLESHLIGHT Mark with full knowledge of ILF's prior use of the FLESHLIGHT Mark. In so doing, Shenzhen Shaki has unfairly competed with ILF by creating the impression among relevant consumers that the products sold by Shenzhen Shaki are licensed by, sponsored by, originated with and/or otherwise affiliated with ILF, or that the source of the products sold by Shenzhen Shaki under the FLESHLIGHT Mark are affiliated, connected with or associated with ILF, when neither Shenzhen Shaki nor its products have any connection with or authorization from ILF.

80. Shenzhen Shaki has misappropriated ILF's valuable goodwill and public recognition of the FLESHLIGHT Mark, which has been developed over a long period of time by ILF, and Shenzhen Shaki has unlawfully benefited and been unjustly enriched by such activities.

81. The use by Shenzhen Shaki of the FLESHLIGHT Mark in connection with its products and services constitutes unfair competition under 15 U.S.C. § 1125(a). This use has

injured the business reputation of ILF and will cause irreparable harm, damage, and injury to ILF unless Shenzhen Shaki is restrained and enjoined by this Court.

82. As a result of Shenzhen Shaki's activities, ILF has been damaged in an amount to be ascertained. ILF seeks an accounting and its actual and consequential damages resulting from Shenzhen Shaki's acts. Moreover, ILF seeks punitive, additional, and enhanced damages from Shenzhen Shaki. In addition, or in the alternative, ILF seeks recovery of the maximum amount of statutory damages as permitted by 15 U.S.C. § 1117(c).

COUNT V
Trademark Infringement and Unfair Competition
Under Texas Common Law

83. ILF repeats and realleges each and every allegation of Paragraphs 1-83 of the Complaint as if fully set forth herein.

84. The foregoing acts of Shenzhen Shaki constitute trademark infringement and unfair competition under the common law of the State of Texas. As a result of the infringement and unfair competition by Shenzhen Shaki, ILF has suffered and will continue to suffer injury and damage in an amount yet to be determined. The acts of infringement by Shenzhen Shaki have resulted in substantial unjust profits and unjust enrichment on the part Shenzhen Shaki in an amount yet to be determined. Such acts of trademark infringement and unfair competition in violation of Texas common law have caused great harm to ILF, for which ILF is entitled to recover any and all remedies provided by Texas common law.

85. The continuing acts of Shenzhen Shaki are jeopardizing the goodwill of ILF and its valuable FLESHLIGHT Mark, and such acts have caused and will continue to cause irreparable injury to ILF and to the consuming public. The acts of Shenzhen Shaki complained of herein have caused irreparable injury to ILF and to the public, for which there is no adequate remedy at law.

86. Additionally, or in the alternative, ILF seeks an accounting and its actual and consequential damages as a result of Shenzhen Shaki's infringing acts which have resulted in confusion among the public. Moreover, ILF seeks punitive and enhanced damages for Shenzhen Shaki's willful conduct.

COUNT VI
Trademark Dilution Under 15 U.S.C. § 1125(C)

87. ILF repeats and realleges each and every allegation of Paragraphs 1-87 of the Complaint as if fully set forth herein.

88. On information and belief, ILF and the FLESHLIGHT Mark are famous and well known throughout the United States and the Western District of Texas within the meaning of 15 U.S.C. § 1125(c), and have been used nationally for years.

89. On information and belief, ILF and the FLESHLIGHT Mark have been famous prior to Shenzhen Shaki's conduct as alleged herein.

90. On information and belief, Shenzhen Shaki's above-described unlawful and infringing activities have caused or are likely to cause dilution of the distinctive quality of the famous FLESHLIGHT Mark in violation of ILF's rights under Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c).

COUNT VII
Injury to Business Reputation, Trade Name and Dilution
Under Texas Business and Commerce Code § 16.29

91. ILF repeats and realleges the allegations of Paragraphs 1-91 as if fully set forth herein.

92. The foregoing acts of Shenzhen Shaki, resulting in dilution of the distinctive quality of the FLESHLIGHT Mark, have and will continue to destroy the goodwill and reputation established by ILF in connection with its Mark and trade name, thereby causing it irreparable harm.

93. The foregoing acts of Shenzhen Shaki constitute injury to ILF's business reputation and dilution of the distinctive quality of its Mark and trade name in violation of § 16.29 of the Texas Business and Commerce Code.

94. On information and belief, Shenzhen Shaki has been unjustly enriched from its wrongful acts.

95. Shenzhen Shaki's acts have been willful and deliberate, justifying an award of attorneys' fees.

REQUEST FOR A JURY TRIAL

96. ILF requests a jury trial of all issues in this action so triable.

PRAYER FOR RELIEF

WHEREFORE, Interactive Life Forms, LLC, prays for judgment against Defendants as follows and for the following relief:

- A. a judgment that each of the Patents-in-Suit was duly and legally issued, is valid and is enforceable;
- B. a preliminary and permanent injunction restraining Defendants and their respective officers, employees, agents, parents, subsidiaries, affiliates, and anyone else in active concert or participation with them, from taking any actions that would directly or indirectly infringe the patent or patents of which Defendants are accused of infringing;
- C. a judgment that Defendants have infringed, contributorily infringed, and/or induced infringement of one or more claims of the Patents-in-Suit;
- D. a judgment that Defendants have willfully infringed one or more claims of each of the Patents-in-Suit;
- E. actual damages through verdict and post-verdict until Defendants are enjoined from further infringing activities;

F. an accounting of damages through verdict and post-verdict until Defendants are enjoined from further infringing activities;

G. all pre-judgment and post-judgment interest allowed by law, including an award of prejudgment interest, pursuant to 35 U.S.C. § 284, from the date of each act of infringement of the Patents-in-Suit to the day a damages judgment is entered, and further award of post-judgment interest, pursuant to 28 U.S.C. § 1961, continuing until such judgment is paid, at the maximum rate allowed by law;

H. a judgment and order finding this to be an exceptional case and requiring Defendants to pay the costs of this action (including all disbursements) and attorneys' fees as provided by 35 U.S.C. § 285;

I. reasonable attorneys fees and costs;

J. an award of increased damages pursuant to 35 U.S.C. § 284 for Defendants' willful and deliberate patent infringement;

K. a judgment that Shenzhen Shaki has infringed ILF's FLESHLIGHT Mark in violation of 15 U.S.C. § 1114;

L. a judgment that Shenzhen Shaki has unfairly competed with ILF and misappropriated ILF's valuable goodwill and public recognition of the FLESHLIGHT Mark in violation of 15 U.S.C. § 1125;

M. a judgment that Shenzhen Shaki has infringed ILF's FLESHLIGHT Mark in violation of Texas common law;

N. a judgment that Shenzhen Shaki has unfairly competed with ILF in violation of Texas common law;

O. a judgment that Shenzhen Shaki has diluted the FLESHLIGHT Mark in violation of 15 U.S.C. § 1125(c);

P. a judgment that Shenzhen Shaki has injured the business reputation of ILF and its trade name, and diluted the FLESHLIGHT Mark, in violation of the Texas Business and Commerce Code § 16.29;

Q. a judgment that Shenzhen Shaki registers, traffics in, or uses a domain name with a bad faith intent to profit from the FLESHLIGHT Mark in violation of 15 U.S.C. § 1125(d);

S. a judgment that Shenzhen Shaki has unjustly enriched itself in violation of Texas common law;

T. that Shenzhen Shaki, its officers, directors, principals, agents, servants, employees, attorneys, officers, directors, principals, and all persons acting in concert or participation with him who receive actual notice of the Order be preliminary enjoined during the pendency of this action and thereafter permanently enjoined from directly or indirectly:

(1) from any use of the FLESHLIGHT Mark, or any other colorable imitation of the FLESHLIGHT Mark, in connection with the advertisement, promotion, offer for sale and sale of Shenzhen Shaki's products, and from any other acts that will injure or be likely to injure the business reputation of ILF;

(2) committing any acts calculated to cause the public to believe that any of Shenzhen Shaki's products are ILF's products, or are authorized by ILF, in whole or in part, unless they are entirely such;

(3) otherwise competing unfairly with ILF in any manner, including without limitation, using a false designation of origin or false representations which misrepresent the nature, characteristics or qualities, source or origin of Shenzhen Shaki's products or services or commercial activities;

(4) infringing ILF's FLESHLIGHT Mark;

(5) attempting, causing, or assisting any of the above-described acts.

U. that Shenzhen Shaki be directed to file with this Court and serve on ILF within thirty (30) days after service of such injunction, a written report under oath pursuant to 15 U.S.C. § 1116 setting forth in detail the manner and form in which Shenzhen Shaki has complied with the injunction;

V. that Shenzhen Shaki be required to remove existing signage and destroy all literature, advertising, marketing, and promotional materials used in connection therewith, goods and other materials bearing the infringing and unlawful marks or any other design now or hereafter in its possession, custody, or control that would violate the injunction entered herein;

W. that Shenzhen Shaki be ordered to pay to ILF all damages sustained from violations of ILF's FLESHLIGHT Mark under 15 U.S.C. §§ 1114 and 1125, and that ILF be awarded Shenzhen Shaki's profits derived by reason of said acts, or as determined by said accounting;

X. that such damages and profits be trebled and awarded to ILF pursuant to 15 U.S.C. § 1117 on the grounds that Shenzhen Shaki's conduct has been willful, deliberate and in bad faith;

Y. that Shenzhen Shaki be ordered to pay ILF damages for common law trademark infringement, unjust enrichment and unfair competition under Texas common law;

Z. that Shenzhen Shaki be ordered to pay ILF damages for injury to business reputation, trade name and trademark dilution under Texas Business and Commerce Code § 16.26;

AA. that Shenzhen Shaki be required to account to ILF for any and all profits derived by it, and all damages sustained by ILF by reason of Shenzhen Shaki's acts complained of herein;

BB. that ILF recover punitive damages in an amount to be determined at trial for common law trademark infringement, unjust enrichment and unfair competition;

CC. that Shenzhen Shaki be ordered to pay ILF pre-judgment and post-judgment interest on any amount awarded;

DD. that Shenzhen Shaki deliberately and in bad faith infringed ILF's FLESHLIGHT Mark and that Shenzhen Shaki be ordered to pay ILF its costs, disbursements and attorneys' fees, as allowed by law; and

EE. such other and further relief as the Court deems just and equitable.

Dated: June 30, 2010

Respectfully submitted,

BRACEWELL & GIULIANI LLP



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