

ANSWER: Defendants admit the allegations contained in Paragraph 2 of the Complaint.

3. On information and belief, Chang, is an individual residing at 1809 Hunters Glen, Marietta, Georgia, 30062. On information and belief, Chang is the CEO, CFO, and Secretary of King Sports.

ANSWER: Defendants admit the allegations of Paragraph 3 of the Complaint.

4. On information and belief, the defendant, KrookedStix, is a corporation organized and existing under the laws of the State of Illinois and has a principal place of business at 2130 N. Bonnie Brook Lane, Waukegan, Illinois, 60087.

ANSWER: Defendants are without sufficient information to form a belief as to the allegations contains in Paragraph 4 of the Complaint, and as such denies the same.

5. On information and belief, the defendant, GigaGolf, is a corporation organized and existing under the laws of the State of Florida and has a principal place of business at 231 Douglas Ave, Oldsmar, Florida, 34677. King Sports, Chang, KrookedStix, and GigaGolf are referred to collectively hereafter as “Defendants.”

ANSWER: Defendants are without sufficient information to form a belief as to the allegations contains in Paragraph 5 of the Complaint, and as such denies the same.

6. This action arises under the patent laws of the United States, 35 U.S.C. § 1 *et seq.*

ANSWER: Defendants admit that this action arises under the patent laws of the United States.

7. This Court has subject matter jurisdiction over this dispute pursuant to 28 U.S.C. §§ 1331 and 1338(a).

ANSWER: Defendants admit that this Court has subject matter jurisdiction over this dispute pursuant to §§ 1331 and 1338(a).

8. This Court may exercise personal jurisdiction over each of the Defendants based upon their contacts with this forum, including, at least, regularly and intentionally doing business

here and having offered to sell and sold products covered by NIKE's patents within this forum. For example, on information and belief, each of the Defendants maintains highly interactive commercial websites through which infringing golf club products have been offered for sale and sold in Illinois. For example, GigaGolf's website at www.gigagolf.com promotes GigaGolf clubs using interactive graphics, maintains customer account information, accepts credit cards for payment, tracks orders, and confirms users' purchasing information. In addition, defendant Krookedstix resides in Illinois and has resold King Sports' infringing products here.

ANSWER: Defendants deny the allegations of Paragraph 8 of the Complaint as they relate to King Sports and Chang and are without sufficient information to admit or deny the remaining allegations of this paragraph, and as such denies the same.

9. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and 1400(b).

ANSWER: Defendants deny the allegations contained in Paragraph 9 of the Complaint.

10. For many years, NIKE has engaged in the development, manufacture and sale of a wide array of athletic and fashion footwear, apparel, and sports equipment. Today, among other things, NIKE develops, manufactures, and sells golf equipment, including golf clubs'.

ANSWER: Defendants admit that Nike sells the aforementioned categories of goods, but are without sufficient information to form a belief as to the remaining allegations contains in Paragraph 10 of the Complaint, and as such denies the same.

11. Over the years, NIKE has taken steps to protect its innovative golf club designs. For example, NIKE owns various United States design patents covering its golf club designs' In particular, NIKE is and has been the owner of all right, title, and interest to each of the United States design patents identified in Table 1 below (hereafter, the "NIKE Design Patents") since the date each NIKE Design Patent dully and legally issued to NIKE. A copy of each NIKE Design Patent is attached to this Complaint as indicated in Table 1.

Table 1: NIKE Design Patents		
United States Design Patent Number	Issue Date of Patent	Complaint Exhibit
D550,318 ('318 patent)	September 4, 2007	A
D544,559 ('559 patent)	June 12, 2007	B
D544,558 ('558 patent)	June 12, 2007	C

D543,600 ('600 patent)	May 29, 2007	D
D524,399 ('399 patent)	July 4, 2006	E
D524,398 ('398 patent)	July 4, 2006	F
D524,397 ('397 patent)	July 4, 2006	G
D524,395 ('395 patent)	July 4, 2006	H
D515,163 ('163 patent)	February 14, 2006	I
D514,640 ('640 patent)	February 7, 2006	J
D492,974 ('974 patent)	July 13, 2004	K
D492,973 ('973 patent)	July 13, 2004	L
D492,972 ('972 patent)	July 13, 2004	M
D492,971 ('971 patent)	July 13, 2004	N
D481,492 ('492 patent)	March 9, 2004	O

ANSWER: Defendants are without sufficient information to form a belief as to the allegations contains in Paragraph 11 of the Complaint, and as such denies the same.

12. On information and belief, King Sports is in the business of manufacturing, or having manufactured, offering to sell, selling, and importing golf clubs, including golf club heads that simulate the designs of major manufacturers' golf clubs, such as NIKE's golf clubs. On information and belief, Chang founded King Sports and personally coordinates and controls King Sports' infringing activities. On information and belief, it is Chang's intent to sell imitation, or "clone," NIKE golf clubs that look the same as NIKE's patented designs.

ANSWER: Defendants admit that King Sports has manufactured and sells golf clubs and that Chang founded King Sports, but denies the remaining allegations of Paragraph 12 of the Complaint.

13. Without NIKE's authorization, King Sports made, used, offered to sell, sold, and/or imported into the United States numerous golf clubs, including golf club heads, having designs that are covered by the NIKE Design Patents (the "Infringing Clubs"). King Sports offers to sell and sells its products through, among other things, its highly interactive, commercial websites at www.kingsports.org, www.turbopowerusa.net, and turbopowerusa.stores.yahoo.net under various brand names, including "Turbo Power" and "SV." King Sports' websites expressly compare King Sports' "clone" golf clubs to the NIKE products they emulate. (*See, e.g.*, turbopowerusa.stores.yahoo.net/titaniumwoods.html). Upon information and belief, King Sports knowingly and intentionally sold and continues to sell the Infringing Clubs as simulations of NIKE golf clubs.

ANSWER: Defendants deny each and every allegation of Paragraph 13 of the Complaint.

14. Charts 1-8 below demonstrate King Sports' infringements by comparing images of the Infringing Clubs sold by King Sports with sample figures from the NIKE Design Patents.

ANSWER: King Sports denies the allegations of Paragraph 14 of the Complaint and the allegations contained in, as well as all inferences that could be drawn from, charts 1-8 contained in Nike's Complaint.

15. On its www.turbopowerusa.net website, King Sports also offers an affiliate program through which retailers can collaborate with King Sports to sell house branded versions of King Sports' golf clubs. For example, King Sports offers wholesale discounts as well as "drop shipment" directly to customers so that their affiliates do not need to stock any inventory of Infringing Clubs. Also, "[f]or a minimum quantity and a small tooling charge, [King Sports] can design any of [their] golf heads with [the affiliate's] company name and logo." (See www.turbopowerusa.net/affiliateprogram.htm). Similarly, on its www.kingsports.org website, King Sports allows affiliates to sign in, or new affiliates to create accounts in order to "start generating revenue" from referred sales. (See www.kingsports.org/affsignIn.aspx?ReturnPage=affiliateaccount.aspx).

ANSWER: King Sports denies that on the website www.kingsports.org, King Sports allows affiliates to sign in. King Sports also denies that the website allows new affiliates to create accounts from referred sales. King Sports admits the remaining allegations contained in Paragraph 15 of the Complaint.

16. On information and belief, Krookedstix is a King Sports affiliated retailer that promotes, offers to sell, and sells Infringing Clubs purchased from King Sports. For example, Chart 10 below shows images of clubs offered for sale by Krookedstix that correspond with the King Sports' Infringing Clubs shown in Charts 3, 5, 6, and 7 above.

ANSWER: Defendants deny the allegations contained in Paragraph 16 of the Complaint.

17. On information and belief, Krookedstix sells and offers to sell various Infringing Clubs through its highly interactive commercial website at www.krookedstix.net. On information and belief, it is KrookedStix's intent to sell imitation NIKE golf clubs, or "clone" golf clubs, that look the same as NIKE's patented designs. In addition, KrookedStix's website states that it "offers an extensive line of custom fit clone golf clubs emulating such brands as ... Nike..." (See www.krookedstix.net/shop_affiliate.htm). Upon information and belief,

KrookedStix knowingly and intentionally sold and continues to sell the Infringing Clubs as simulations of NIKE golf clubs.

ANSWER: Defendants are without sufficient information to form a belief as to the allegations contains in Paragraph 17 of the Complaint, and as such denies the same.

18. On information and belief, GigaGolf is another King Sports affiliated retailer that promotes, offers to sell, and sells Infringing Clubs purchased from King Sports. On information and belief, GigaGolf sells and offers to sell various Infringing Clubs under the brand name “Ozzy” through its highly interactive, commercial website at www.gigagolf.com. As shown in Chart 11 below, GigaGolfls “Ozzy” clubs bear the same infringing designs as the King Sports’ Infringing Clubs shown in Charts 1, 2, 3, and 7 above.

ANSWER: Defendants deny each and every allegation contain in Paragraph 18 of the Complaint.

19. On information and belief, King Sports', Chang's, Krookedstix's, and GigaGolf's infringement of the NIKE Design Patents has been and continues to be intentional and willful.

ANSWER: Defendants deny the allegations contained in Paragraph 19 of the Complaint.

20. NIKE re-alleges each and every allegation set forth in paragraphs 1 through 19 above, inclusive, and incorporates them by reference herein.

ANSWER: Defendants reassert each and every answer set forth in paragraphs 1-19 above, and incorporates the answers by reference thereto.

21. King Sports, Chang, KrookedStix, and GigaGolf have made, used, offered to sell, sold, and/or imported into the United States, and still are making, using, offering to sell, selling, and/or importing into the United States, golf clubs having designs that infringe the NIKE Design Patents without NIKE's authorization.

ANSWER: Defendants deny the allegations contained in Paragraph 21 of the Complaint.

22. On information and belief, Defendants' infringements have been intentional and willful, making this an exceptional case.

ANSWER: Defendants deny the allegations contained in Paragraph 22 of the Complaint.

23. NIKE has been and will continue to be irreparably harmed by Defendants' infringements of the NIKE Design Patents.

ANSWER: Defendants deny the allegations contained in Paragraph 23 of the Complaint.

KING SPORTS, INC. AND HUANG'S AFFIRMATIVE DEFENSES

First Affirmative Defense

1. King Sports and Huang do not infringe any claims of the NIKE Design Patents.

Second Affirmative Defense

2. Nike's claims are barred by equitable estoppel.

Third Affirmative Defense

3. Nike's claims are barred by laches.

**KING SPORT, INC.'S DECLARATORY JUDGMENT
COUNTERCLAIM FOR NONINFRINGEMENT**

Defendant King Sports, Inc. ("King Sports"), through its attorneys, asserts the following Counterclaim against Nike, Inc. ("Nike") and alleges as follows:

The Parties

1. King Sports, Inc. ("King Sports") is a corporation organized and existing under the laws of the State of Georgia and has a principal place of business at 1115, Cobb Pkwy S., Marietta, Georgia, 30060.
2. NIKE, Inc. ("Nike") is a corporation organized and existing under the laws of the State of Oregon and has a principal place of business at One Bowerman Drive, Beaverton, Oregon, 97005.

Jurisdiction and Venue

3. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) and 28 U.S.C. § 2201 et seq. An actual controversy exists between King Sports and Nike as to infringement of U.S. Patent Nos. D550,318; D544,559; D544,558; D544,558; D544,558; D543,600; D524,399; D524,398; D524,397; D524,395; D515,163; D514,640; D492,974; D492,973; D492,972; D492,971 and D481,492 (collectively, “the Asserted Patents”) by virtue of the allegations in Nike’s Complaint.

4. The Court has personal jurisdiction over Nike who has waived any objection to personal jurisdiction by voluntarily appearing in this Court and filing the Complaint.

5. Venue is proper in this forum pursuant to 28 U.S.C. §§ 1391(b) and (c) and 1400(b), and the applicable laws of this Court. Nike has waived any objection to venue by voluntarily appearing in this Court and filing the Complaint.

6. King Sports has not infringed and is not infringing, literally or under the doctrine of equivalents, any valid and enforceable claim of the Asserted Patents either by direct or contributory infringement, and has not induced and is not inducing infringement of any claim of the Asserted Patents.

PRAYER FOR RELIEF

WHEREFORE, King Sports, Inc. respectfully requests the following relief:

- a) for a judgment to be entered by this Court that Defendant King Sports, Inc. has not committed any acts of patent infringement as to U.S. Patent Nos. D550,318; D544,559; D544,558; D544,558; D544,558; D543,600; D524,399; D524,398; D524,397; D524,395; D515,163; D514,640; D492,974; D492,973; D492,972; D492,971 and D481,492; and
- b) any other relief this Court may deem equitable and just.

Respectfully submitted,

KING SPORTS, INC. and
HUNG YING CHANG

By: /s/ Mark M. Grossman

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Dated: February 25, 2008

CERTIFICATE OF SERVICE

I, Mark M. Grossman, caused to be served a copy of the foregoing:

King Sport's, Inc. And Hung Ying Chang's Answer To The Complaint,
and King Sports, Inc.'s Counterclaim for Noninfringement

with the Clerk of the Court using the CM/ECF system on February 25, 2008 which will send notification of such filing to the following:

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/s/ Mark M. Grossman