

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

YOTRIO CORPORATION,
Petitioner

v.

LAKESOUTH HOLDINGS, LLC,
Patent Owner.

U.S. Patent No. 8,794,781
Title: Umbrella Apparatus

Case No. IPR2017-00299

**EXHIBIT 2001 – DECLARATION OF JOHN S. KUELBS
[EXHIBIT 2002 – REDACTED VERSION]**

CONTAINS PROTECTIVE ORDER MATERIAL

I, John S. Kuelbs, declare as follows:

1. I am a resident of Roanoke, Texas, am over the age of 18, and am not otherwise incapable of making this Declaration. I have personal knowledge of the facts set forth below and the statements made herein.

2. I currently run the day-to-day operations of LakeSouth Holdings, LLC (“LakeSouth”), the owner of United States Patent No. 8,794,781.

3. I previously served as Chief Executive Officer of World Factory, Inc.

4. I am submitting this Declaration in support of LakeSouth’s Preliminary Response to the Request for *Inter Partes* Review filed by Petitioners Yotrio Corporation; Kohl’s Department Stores, Inc.; Kohl’s Illinois, Inc.; and Home Depot U.S.A., Inc.

5. A publicly available, redacted version of this Declaration is being filed as Exhibit 2002 to LakeSouth’s Preliminary Response.

6. Exhibit 2003 to LakeSouth’s Response is a collection of true and correct copies of various advertisements for solar-powered lighted umbrellas either sold by World Factory or licensed under the ’713 and/or ’781 Patents.

7. LakeSouth Holdings, LLC, and [REDACTED] entered into a Patent License Agreement effective [REDACTED]. This agreement, which explicitly references the ’713 and ’781 Patents, requires [REDACTED] to pay ongoing royalty payments of [REDACTED] for covered products, including solar

powered umbrellas, [REDACTED]. The agreement also requires the licensee to mark covered products with LakeSouth's patent numbers.

8. LakeSouth Holdings, LLC, and [REDACTED]

[REDACTED] entered into a Patent License Agreement effective [REDACTED]. This agreement, which explicitly references the '713 and '781 Patents, requires the licensee to pay [REDACTED] [REDACTED] for covered products, including solar powered umbrellas, [REDACTED]. The agreement also requires the licensee to mark covered products with LakeSouth's patent numbers.

9. LakeSouth Holdings, LLC, and [REDACTED] entered into

a Patent License Agreement effective [REDACTED]. This agreement, which explicitly references the '713 and '781 Patents, requires the licensee to pay [REDACTED] for covered products, including solar powered umbrellas, [REDACTED]. The agreement also requires the licensee to mark covered products with LakeSouth's patent numbers.

10. LakeSouth Holdings, LLC, and [REDACTED] entered

into a Patent License Agreement effective [REDACTED]. This agreement, which explicitly references the '713 and '781 Patents, requires the licensee to pay

[REDACTED] for covered products, including solar powered umbrellas, [REDACTED]. The agreement also requires the licensee to mark covered products with LakeSouth's patent numbers.

11. LakeSouth Holdings, LLC, and [REDACTED] entered into a Patent License Agreement effective [REDACTED]. This agreement, which explicitly references the '713 and '781 Patents, requires the licensee to pay [REDACTED] for covered products, including solar powered umbrellas, [REDACTED]. The agreement also requires the licensee to mark covered products with LakeSouth's patent numbers.

12. Exhibit 2004 to LakeSouth's Response is a true and correct copy of box label artwork for the Hampton Bay 9 ft. Solar Lighted Umbrella, supplied by World Factory for sale at Home Depot.

13. Exhibit 2005 to LakeSouth's Response is a true and correct copy of the Use and Care Guide for the Hampton Bay 9 ft. Solar Lighted Umbrella listed above.

14. Exhibit 2006 to LakeSouth's Response is a true and correct copy of box label artwork for the Hampton Bay 9 ft. x 7 ft. Solar Lighted Umbrella, supplied by World Factory for sale at Home Depot.

15. Exhibit 2007 to LakeSouth's Response is a true and correct copy of the Use and Care Guide for the Hampton Bay 9 ft. x 7 ft. Solar Lighted Umbrella listed above.

16. I have searched financial records to determine records of sales by World Factory for time period from 2010 to 2015.

17. In 2010 and 2011, World Factory sold [REDACTED] solar umbrella units for total sales of [REDACTED].

18. In 2012 and 2013, World Factory sold [REDACTED] solar umbrella units for total sales of [REDACTED].

19. In 2014, World Factory sold to Home Depot [REDACTED] solar umbrella units for total sales of [REDACTED].

20. In 2015, World Factory accepted orders for solar umbrellas in a total amount of [REDACTED].

I declare under penalty of perjury that the foregoing statements are true and correct and that this Declaration was signed by me on the date listed below.



John S. Kuelbs

2/28/17
Date