EXHIBIT "A"

UNITED STATES DISTRICT COURT EASTERN DISTRICT OF TEXAS TYLER DIVISION

HEWLETT-PACKARD COMPANY,

Case No.: 6:05cv456

Plaintiff,

VS.

BYD:SIGN, INC.; BYD:SINE, CO. LTD., a/k/a/BYD:SIGN, CO. LTD., a/k/a BYD:SIGN COMPANY JAPAN, LTD, a/k/a/BYD:SIGN WORLDWIDE; EYEFI DIGITAL TV, INC.; IDAPT SYSTEMS, LLC; KATSUMI ELECTRONICS CORPORATION; J. BRIAN DENNISON; KARL KAMB, JR.; KATSUMI IIZUKA; MARC McEACHERN; WILLIAM TAFFEL; DAVID THORSON; POOJITHA PREENA

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AFFIDAVIT OF KATSUMI IIZUKA IN SUPPORT OF BYDESIGN JAPAN, EYEFI DIGITAL TV, INC AND KATSUMI IIZUKA'S MOTION TO DISMISS

STATE OF NEVADA)
) SS:
COUNTY OF CLARK)

- I, Katsumi Iizuka, being first duly sworn, deposes and says:
 - I have personal knowledge of the matters stated herein except as to those
 matters stated upon information and belief, and as to those matters, I
 believe them to be true. If called as a witness, I would be competent to
 testify as to the matters stated in this Affidavit.
 - 2. I am over 18 years of age.
 - 3. I was born in Tokyo, Japan. I am a Japanese citizen and a resident of Japan. I have resided in Japan continuously since 1987.

- 4. I do not own any real property nor do I own an interest in any companies located in Texas.
- I am the former President of Dell Computer Corporation Japan and a former employee of Radio Shack's Far-East sourcing office. My work for both companies in these capacities was done entirely in Asia, including Japan. Although it is alleged that both Radio Shack and Dell Computer are two Texas based companies, with one brief exception, I was employed and performed my work in Asia, including Japan, not Texas or other states of the United States. However, I did work for a subsidiary of Tandy Corporation (which later merged with Radio Shack) in Texas for eighteen months, from 1982-1983.
- 6. Although I worked in Asia, including Japan, I did on occasion have to travel to Texas to attend meetings at Dell Computer Corp.'s headquarters. I retired from Dell in 1995 and have not had any occasion to conduct business in Texas since then.
- 7. I first pioneered flat panel screen technology when, as President of Akia Corp. Japan ("Akia"), my company designed and developed the first flat panel computer monitor for non-industrial applications in 1996. In 1999, a joint venture was created between Akia and Casio Ltd. Japan.
- 8. Subsequently, in 2001, I left Akia to become an advisor to a company called Dinner, Inc. ("Dinner"). The vision for Dinner was to establish relationships with manufacturers of low cost flat panel television sets and then sell these sets, after exterior modifications have been made, to retailers located in Japan. Because of my substantial contacts with flat panel television manufacturers throughout Asia, Dinner was able to

- procure flat panel screen television sets from television set manufacturers in Taiwan and Korea.
- 9. In 2002, Mitsui Bussan Digital Corp. began selling low cost flat panel television sets, designed by Dinner, in Japan. During this same time period, Dinner sought to market flat panel television sets throughout other parts of Asia and the United States.
- 10. In mid 2002, I shared information to Karl Kamb ("Kamb") and others, about a specific HP competitor who was entering the printing industry as well as information regarding Dinner, that since 2002, was selling low cost Taiwanese and Korean manufactured flat panel television sets throughout Japan.
- 11. In late 2002, Dinner entered into a relationship with Xiamen Overseas Chinese Electronic Co. Ltd ("Xoceco") to sell flat panel television sets. Dinner, however, ultimately did not sell any products manufactured by Xoceco.
- 12. In April 2003, I formed a company called byd:sine, Co. Ltd., a/k/a byd:sign, Co. Ltd., a/k/a byd:Sign Company Japan, Ltd, a/k/a byd:sign Worldwide ("Bydesign Japan").
- 13. I am the Chief Executive Officer of Bydesign Japan.
- 14. Since forming Bydesign Japan in April 2003, all of my actions relating to the flat panel television set business have been done on behalf of and for the benefit of Bydesign Japan.
- 15. Bydesign Japan is a company organized under the laws of Japan and has its principal place of business in Tokyo, Japan. It owns all of the stock in one subsidiary corporation, Eyefi Digital TV, Inc. ("Eyefi"), which was

- incorporated in Nevada in or about June 2005 and has its principal place of business in Las Vegas, Nevada.
- 16. Eyefi has not engaged in any business in Texas or any state for that matter.
- 17. Eyefi has not shipped any product or sold any product to any place in the United States.
- 18. Eyefi does not have any offices, employees or agents in Texas.
- 19. Similarly, Bydesign Japan does not have any offices, agents or employees located in Texas.
- 20. Bydesign Japan does not advertise or solicit business in Texas.
- 21. Bydesign Japan does not engage in any activities in Texas.
- 22. Bydesign Japan is in the business of selling flat panel television sets that are manufactured and distributed out of China. Specifically, Bydesign Japan has a business relationship with Xoceco.
- 23. However, because of the unattractive design of these Xoceco flat panel television sets, Bydesign Japan worked with a Japanese industrial design firm under contract to design an "injection molded faceplate", or bezel, that could be installed on the exterior of the flat panel television sets made by Xoceco, to make these sets more appealing to Japanese consumers.
- 24. These Xoceco manufactured flat panel television sets that were to be sold by Bydesign Japan did <u>not</u> have any technical advantage over any other products sold at the time. Instead, the only consumer appeal that these flat panel television sets have over their competitors is the low price. All engineering for these televisions sets is performed exclusively by Xoceco. Bydesign Japan's business model was to sell these low cost flat panel television sets to consumers who were otherwise unwilling to spend top dollar on brand name marquee products (e.g., Sony, Mitsubishi).

- 25. In mid to late 2003, Kamb, on behalf of Hewlett-Packard Company ("HP"), requested my assistance in arranging for Xoceco to assemble several flat panel television sets for certain upcoming HP promotional events. The Xoceco flat panel television sets that I had Xoceco assemble for HP were based on the same television sets that Xoceco had been selling in China and was intending to sell worldwide. At this time, Bydesign Japan was in talks with retailers in Japan and the United States to sell these Xoceco flat panel television sets.
- 26. In August 2004, Bydesign Japan entered into talks with Best Buy Co. ("Best Buy") to sell specific models of its low cost flat panel television sets.
- 27. Upon information and belief, Best Buy is a retailer of electronic products, based in Richfield, Minnesota.
- 28. I negotiated all contracts with Best Buy on behalf of Bydesign Japan.
- 29. After being awarded a contract by Best Buy, Bydesign Japan started selling to Best Buy certain Liquid Crystal Display ("LCD") flat panel television sets that are manufactured by Xoceco. Best Buy takes possession of these flat-panel television sets from Bydesign Japan in China. These flat-panel television sets are then shipped by Best Buy from China to Long Beach, California.
- 30. The sale of Bydesign Japan product to Best Buy is completed when Best Buy takes possession and delivery of these products in China.
- 31. Bydesign Japan neither provides customer service nor does it warrant its product to end users as this is all done through Best Buy.
- 32. Best Buy sells low cost private label television sets under the name Insignia. Best Buy has several vendors that manufacturer and provide

- them with television products to be sold under the Insignia name. Bydesign Japan, which sells Xoceco product, is just one of many companies that manufactures television sets for Best Buy.
- 33. Upon information and belief, Best Buy purchases a very small percentage of its total television sets from Bydesign Japan.
- 34. Bydesign Japan does not control where Best Buy sells its "Insignia" flat panel television sets nor does it have an interest in those locations. Bydesign Japan did not create, control or employ the distribution system that Best Buy uses to bring its product into the United States. Bydesign Japan also does not advertise or solicit business in Texas.
- 35. It is unknown whether Best Buy sells Bydesign Japan's product in Texas.
- 36. Bydesign Japan has never had any meetings in Texas with Best Buy or any other company.
- 37. Bydesign Japan, Eyefi and I have not sold any flat panel television sets or other products directly to individuals residing in Texas.
- 38. Bydesign Japan, Eyefi and I are not licensed or qualified to do business in Texas, have no employees in Texas, have no offices, mailing addresses, or telephone numbers in Texas, have no bank accounts in Texas, pay no taxes in Texas, do not own, use, or possess real or personal property in Texas, or advertise in Texas, and do not otherwise conduct business in Texas.
- 39. byd:sign, Inc. ("byd:sign USA") is located in Texas. byd:sign USA is owned, operated and controlled by J. Brian Dennison ("Dennison"). Dennison is not an agent or employee of Bydesign Japan. byd:sign USA was initially funded as a business opportunity by Mitsui Corp. Japan.
- 40. byd:sign USA is not owned, operated or controlled by Bydesign Japan. byd:sign USA is not a subsidiary of Bydesign Japan.

- 41. byd:sign USA was organized by Dennison to distribute Bydesign Japan product in the United States. Adtx Company ("Adtx") has served as a financing agent but also purchased product from Bydesign Japan and sold the same to byd:sign USA.
- 42. The shipment of goods from Adtx to byd:sign USA was done at the request of either Dennison or byd:sign USA, neither of which is a subsidiary, agent or employee of Bydesign Japan.
- 43. Although Adtx may have sold Bydesign Japan product to Bydesign USA, which in turn sold some if its products in Texas, Bydesign Japan did not employ or direct this distribution system.
- 44. Bydesign Japan has purchased previously rear projection digital light processing ("DLP") television sets manufactured from Amoi Electronics in China. These television sets were then shipped to ADI, a division of Honeywell, with Brian Dennison acting as a sales agent and distributed to three distribution centers located in the United States that include Reno, Nevada, Atlanta, Georgia and Louisville, Kentucky. Upon information and belief, ADI has only been able to sell eleven of these DLP television sets.
- 45. Bydesign Japan does not sell or distribute its product directly to end users in Texas nor does it ship product to any retailers in Texas.

46. A substantial amount of the documents relating to any defenses that either Bydesign Japan or I may assert in response to the allegations contained in the Complaint filed by HP are written in the Japanese language.

DATED this Y day of January, 2006.

SUBSCRIBED and SWORN to before me by Katsumi Iizuka on this day of January, 2006.

My Commission Expires:_

LUCINDA M. LEIN Notary Public State of Nevada No. 96-1439-1

My appt. exp. Sept. 28, 2008