# UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF INDIANA



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Rieke LLC,	) Case No.
Plaintiff,	) ) Judge
,	)
vs.	)
	) Jury Trial Demanded
Technocraft Industries India Ltd.,	)
	)
Defendant.	)

## **Complaint**

For its complaint against defendant Technocraft Industries India Ltd., plaintiff Rieke LLC states:

## **Summary of Case**

- 1. Rieke is an Indiana company that, for almost 100 years, has been innovating in the world of container closures, spouts, and dispensers. This case is about one of Rieke's hallmark products: *Flexspout II*. It is a revolutionary, extendable, anti-glugging pouring dispenser with a removable cap that can be crimped on to drums, barrels, or other containers. *Flexspout II* is so unique and valuable that the U.S. Patent and Trademark Office has issued three patents, which protect it against copying by competitors.
- 2. Technocraft is attempting to undercut Rieke's *Flexspout II* business by offering copycat, foreign-made versions of the product to U.S. customers at prices that, upon information and belief, are substantially below Rieke's prices.
- 3. By making, selling, offering to sell, using, and/or importing copies of Rieke's *Flexspout II*, Technocraft is infringing the three Rieke *Flexspout II* patents.

4. Accordingly, Rieke sues to enjoin Technocraft's ongoing infringement and to obtain monetary relief.

#### **Parties**

- 5. Rieke is an Indiana limited liability company, with a principal place of business in Auburn, Indiana.
- 6. Technocraft is incorporated in India, but regularly does business in the United States, including in this District.

#### <u>Jurisdiction and Venue</u>

- 7. This Court has subject matter jurisdiction over Rieke's patent infringement claims under 28 U.S.C. §§ 1331 and 1338(a) because they arise under federal law and, more specifically, the U.S. Patent Act, 35 U.S.C. § 1 *et seq*.
- 8. This Court has personal jurisdiction over Technocraft at least because, among other things, it does business in Indiana; its website represents that it has distribution centers throughout the U.S. and specifically in Fort Wayne, Indiana; by willfully infringing Rieke's patents, Technocraft is intentionally causing tortious harm to Rieke in Indiana; Technocraft offers to sell products, including infringing products, in Indiana and to Indiana businesses or individuals; upon information and belief, it has sold products, including infringing products in Indiana and to Indiana businesses or individuals.
- 9. Venue is proper under 28 U.S.C. § 1391 because Technocraft is subject to personal jurisdiction in this district under Indiana law and, therefore, "resides" in this district according to federal law.

#### **Relevant Facts**

## I. Rieke's Innovations in Closures and Dispensers

- 10. Founded in Auburn, Indiana in 1921, Rieke is a world-class designer, manufacturer, and seller of closures and dispensing systems. Theodore W. Rieke revolutionized the steel drum industry by inventing the first mechanically inserted plug and flange assembly for drums. Rieke's flange closure could be inserted without brazing, required no fusing of metals, was easily replaced, and prevented excessive scrap.
- 11. Since its beginning, Rieke continues to develop innovative products that are commonly used in consumer products and industrial applications. Rieke's innovative products range from steel drum closures, paint can closures, and soap foam pump dispensers. Rieke also has made innovative, cutting-edge closure and dispensing products for the food and beverage, and pharmaceutical industries.
- 12. Through its innovations, Rieke has obtained more than 300 U.S. Patents and more than 1,000 patents worldwide for its products. Rieke's innovations and patent protections have helped Rieke protect its products against copying by competitors.

#### II. Rieke's Flexspout II Closures

- 13. One of Rieke's hallmark developments is the *Flexspout II* flexible pouring spout. Manufactured in Auburn, Rieke's *Flexspout II* closure is a retractable plastic pour spout that can be crimped on to a drum, pail, can, or other container.
- 14. Flexspout II offers a reliable seal and is tamper evident. When the spout is closed, it has a low profile for ease of stacking. (See Fig. 2 below.) The tamper-evident cap has a pull tab for fast removal. (See Fig. 3 below.) When in the extended position, the

Flexspout II closure can be bent and locked into place in one direction due to its unique memory band feature. (See Fig. 3 below.) Figures 1-3 below show Rieke's Flexspout II closure.



<u>Fig. 1</u>: Rieke's *Flexspout II* closure (non-extended).



<u>Fig. 2</u>: Rieke's *Flexspout II* closure crimped on to a container, closed for ease of stacking.



Fig. 3: Rieke's Flexspout II closure extended with cap (left) and without cap (right).

- 15. Rieke's products have introduced several advantages that had not previously existed in other similar products. The patented anti-glug feature unique to Rieke's closures helps with safety by preventing chemicals from splashing onto users who are pouring them out of their storage containers. Rieke's *Flexspout II* closure also has a tamper-evident feature that provides brand protection to Rieke's customers so that those used containers are not refilled and resold as "new."
- 16. Due to Rieke's innovations, the U.S. Patent & Trademark Office has issued to Rieke patents that protect its *Flexspout II* closures, including U.S. Patent Nos. 8,292,133 (the "133 utility patent"), D608,641 (the "641 design patent"), and D610,007 (the "007 design patent") (collectively, the "Patents").
- 17. The '133 utility patent issued on October 23, 2012 and is directed to a vented closure assembly for a container. (Ex. A.) Rieke owns all rights in the '133 utility patent.
- 18. The '641 design patent issued on January 26, 2010 and is directed to a closure design with retaining ring. (Ex. B.) Rieke owns all rights in the '641 design patent.
- 19. The '007 design patent issued on February 16, 2010 and is directed to a closure design with retaining ring. (Ex. C.) Rieke owns all rights in the '007 design patent.

## III. Technocraft Copied Rieke's Flexspout II Closures

- 20. Technocraft makes closure products outside the U.S. to compete with Rieke in the U.S.
- 21. Technocraft has attempted to increase its North American market share by offering to American businesses the same existing closure products from other companies such as Rieke at lower costs.

- Technocraft's Managing Director, Sharad Kumar Saraf, often visits the U.S. to try and develop business in this market. He attends trade shows and, upon information and belief, personally meets with and solicits customers, potential customers, and business partners, such as U.S. distributors.
- In April 2018, Mr. Saraf approached Rieke's trade show booth at the Industrial Pack Expo in Atlanta, Georgia, and inspected the *Flexspout II* samples at Rieke's booth very closely. Mr. Saraf asked a Rieke representative numerous questions about the *Flexspout II* closure and the Patents that protect them. Rieke explained to Mr. Saraf that the *Flexspout II* closure is patent protected and, based on Technocraft's business model, Rieke would protect its innovations and defend itself if Technocraft copied Rieke's innovative designs.
- 24. Technocraft was aware of the Patents protecting its *Flexspout II* closure as early as April 2018.
- 25. In 2018 and 2019, Technocraft manufactured, used, imported, offered to sell, and/or sold infringing vented closures that are copies of Rieke's *Flexspout II* closures (the "Accused Products"). The Accused Products include, but are not limited to, Technocraft's 63C-AGL-F 63mm canseal closure. (*See, e.g.*, Product Data Sheet from Technocraft's Website, attached as Ex. D). Although Rieke presently identifies only model number 63C-AGL-F, Rieke believes that Technocraft sells other, additional Accused Products under

different model numbers and reserves the right to include other model numbers as Accused Products as Rieke gains information during this case.<sup>1</sup>

26. Rieke has discovered via the Internet Archive (archive.org/web) that Technocraft was offering the knockoffs of Rieke's *Flexspout II* shown in Figure 4 below on Technocraft's website as recently as January 2019. (Ex. D.)



Fig. 4: Technocraft's 63C-AGL-F 63mm Canseal Closure.

- 27. Technocraft's "Data Sheet" for the infringing 63C-AGL-F canseal closure are in English and provide pallet sizes in the U.S. customary units of inches, which further confirms that Technocraft is targeting U.S. customers with its product offerings.
- 28. The Technocraft closure shown in Figure 4 above has the word "Firmenich" on it. Firmenich is a fragrance company with locations throughout the United States, which further confirms that the Accused Products are being offered for sale and sold in the U.S.
- 29. Technocraft's manufacture, use, importation, offers to sell, and/or sales of the Accused Products infringes the Patents.

<sup>&</sup>lt;sup>1</sup> Rieke's contemporaneously filed motion for expedited discovery seeks, among other things, evidence about other infringing closures made, used, imported, sold, or offered for sale by Technocraft.

## IV. <u>Technocraft Refuses to Comply with Rieke's Reasonable Requests</u>

- 30. After discovering that Technocraft has been offering to sell the Accused Products in the United States, Rieke sought to resolve this with Technocraft without Court intervention. Rieke's President reached out to Mr. Saraf by phone, and Rieke's legal counsel then follow up with a letter about Technocraft's infringing activities and demanded that Technocraft "immediately cease and desist from making, using, importing, offering for sale, and selling the Accused Products." (*See* 5/7/19 Letter from D. Cupar to S.K. Saraf (Ex. E).)
- 31. To avoid costly litigation, Rieke requested that Technocraft identify which potential or actual customers it approached with the Accused Products, confirm that it stopped offering to sell and selling the Accused Products, and provide an affidavit certifying that the information and representations provided by Technocraft are true, accurate, and complete. (*See* 5/7/19 Letter from D. Cupar to S.K. Saraf (Ex. E).)
- 32. Far from cooperating with Rieke, Technocraft responded with both incomplete and incorrect information that, on its face, is false based on readily-available public information. For example, Technocraft's counsel selectively addressed only two of the canseal closures on Technocraft's website and ignored—and did not provide any of the requested in formation for—the infringing canseal closure shown in Fig. 4 above that was on Technocraft's website, but was subtly removed from the website sometime after January 2019 by Technocraft when it suspected Rieke was onto it. (6/3/19 Letter from E. Ericksen to D. Cupar (Ex. F).)

- 33. Upon information and belief, Technocraft, at a minimum, has been secretly offering for sale its Accused Products to companies in the United States, including Rieke's customers. Technocraft, through its counsel, did not address those facts or those Accused Products. (Compare Ex. D (Data Sheet on Technocraft website showing Accused Product) with Ex. F (6/3/19 letter addressing different closures).)
- 34. Based on Technocraft's refusal to provide Rieke the complete facts, and based on Technocraft's attempt to obfuscate which products it offered for sale to customers in direct contradiction to publicly available information, Rieke has had no choice but to defend itself, its employees, and its patent rights.

#### **Count I**

# Infringement of the '133 Patent

- 35. Rieke incorporates by reference all allegations in all preceding paragraphs of this complaint as if fully set forth herein.
- 36. Technocraft has directly infringed, and, upon information and belief, continues to directly infringe, the '133 patent at least by selling, offering to sell, using, making, and/or importing the Accused Products.
- 37. As a non-limiting, illustrative example, below is a comparison of the limitations of claim 1 of the '133 patent to Technocraft's 63C-AGL-F 63mm canseal closure. As shown, that exemplar product has each of the limitations in at least claim 1 of the '133 utility patent.

Claim Limitation	GoC ACI E Gomm Canadal Clasura
Claim Limitation	63C-AGL-F 63mm Canseal Closure
A closure assembly for a container comprising:	The canseal closure is a closure assembly for a container. Technocraft's Data Sheet (Ex. D) refers to the product as a "closure" for "pails" and "drums." The Data Sheet also states that Technocraft will supply two press tools "to be used to make the opening for canseal closures in the sheet metal drum top."
a closure body having a first section, a cooperating second section, and an invertible fold positioned between said two sections,	first section (inside surface when nested)  invertible fold second section (outside surface when nested)
said closure body being constructed and arranged to be oriented in either a nested condition or an extended condition,	The body of the canseal closure is constructed and arranged to be oriented in either a nested condition or an extended condition. The canseal closure in the picture below is shown in its nested condition.

<sup>&</sup>lt;sup>2</sup> At this stage, Rieke has not yet taken a position as to whether the preamble is limiting. If it is, the chart above shows that the preamble limitation would be met by Accused Product.

Claim Limitation	63C-AGL-F 63mm Canseal Closure	
said first section defining an outlet opening;	The first section of the Accused Product defines an outlet opening. Technocraft's Data Sheet (Ex. D) explains that the canseal "fits on a large opening" and allows for "filling" and "pouring." The outlet opening is underneath the white cap in the left picture shown below.	
	outlet opening is underneath white cap and not visible in picture	
a closing cap constructed and arranged for assembly to a spout portion of said closure body for closing off said outlet opening;	closing cap	

Claim Limitation	63C-AGL-F 63mm Canseal Closure
means for assembling said closure body to a container outlet wall which defines an opening; and	means for assembling closure body to container outet wall
a plurality of venting ears joined to said second section in an annular array,	The Accused Product has multiple venting ears (10) joined to the second section in an annular array (shown in picture below).  Venting ears

Claim Limitation	63C-AGL-F 63mm Canseal Closure
said venting ears being sized, constructed, and arranged to be spaced-apart without any contact between adjacent venting ears when said closure body is oriented in said extended condition.	The venting ears of the Accused Product are sized, constructed, and arranged to be spaced apart without any contact between adjacent venting ears when the closure body is oriented in the extended condition.  Venting ear  This illustration shows what the venting ears of the Accused Product look like from the bottom of the closure when the canseal closure is in the extended position. The illustration shows that there is no contact between adjacent venting ears.

- 38. The Accused Products' only intended and feasible use is as a closure assembly for a container.
- 39. Any use of the Accused Products as closure assemblies for containers are acts of direct infringement of the '133 patent.
- 40. Because the only intended and feasible use of the Accused Products is an infringing use, the Accused Products have no substantial non-infringing uses.
- 41. Technocraft has induced infringement of the '133 patent at least because, with knowledge of the '133 patent, it intentionally and actively induced end users of the Accused Products to use them in a manner that infringes the '133 patent with specific intent that they do so.

- 42. Technocraft has further induced infringement of the '133 patent at least by selling the Accused Products to distributors, retailers, and other resellers with the specific intent that they infringe the '133 patent by reselling the Accused Products to others.
- 43. Technocraft has contributed to infringement of the '133 patent at least by selling the Accused Products, which have no substantial use other than an infringing use as a closure assembly for a container.
- 44. Technocraft's infringements of the '133 patent were, and continue to be, willful and deliberate.
- 45. Rieke has been and will continue to be damaged by Technocraft's infringing activities, in an amount to be established at trial.
- 46. Rieke has been suffering irreparable harm due to Technocraft's infringement and will continue to be irreparably harmed unless and until Technocraft is enjoined by this Court.

#### **Count II**

## Infringement of the '641 Patent

- 47. Rieke incorporates by reference all allegations in all preceding paragraphs of this Complaint as if fully set forth herein.
- 48. Technocraft has directly infringed, and continues to directly infringe, the '641 patent by making, using, importing, offering to sell, and selling the Accused Products.
- 49. As a non-limiting, illustrative example, below is a comparison of the top view of the design covered by the '641 patent to the top view of an accused Technocraft

canseal closure, which confirms substantial similarity between the claimed design and the Accused Products.

'641 Patent	Technocraft's 63C-AGL-F 63mm Canseal Closure
Fig. 3	Timenich

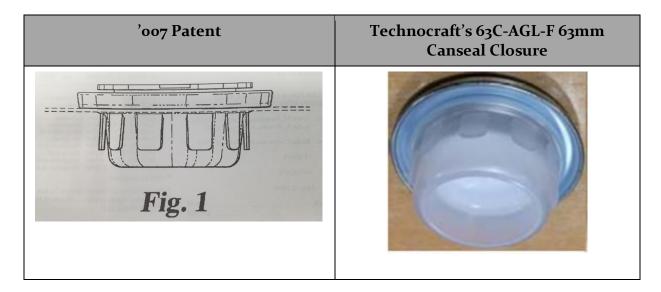
- 50. Technocraft has induced and contributed to direct infringement of the '641 patent at least by selling the Accused Products to distributors, retailers, customers, and end users with the specific intent that they infringe the '641 patent by using, selling, and/or offering to sell the Accused Products.
- 51. Despite knowing about the '641 patent, Technocraft has continued to infringe the '641 patent, such that its infringements were, and continue to be, willful and deliberate.
- 52. Rieke has been and will continue to be damaged by Technocraft's infringing activities, in an amount to be established at trial.

53. Rieke has been suffering irreparable harm due to Technocraft's infringement and will continue to be irreparably harmed unless and until Technocraft is enjoined by this Court.

#### **Count III**

# *Infringement of the '007 Patent*

- 54. Rieke incorporates by reference all allegations in all preceding paragraphs of this Complaint as if fully set forth herein.
- 55. Technocraft has directly infringed, and continues to directly infringe, the '007 patent by making, using, importing, offering to sell, and selling the Accused Products.
- 56. As a non-limiting, illustrative example, below is a comparison of the side view of the design covered by the '007 patent to an accused Technocraft canseal closure, which confirms substantial similarity between the claimed design and the Accused Products.



- 57. Technocraft has induced and contributed to direct infringement of the 'oo7 patent at least by selling the Accused Products to distributors, retailers, customers, and end users with the specific intent that they infringe the 'oo7 patent by using, selling, and/or offering to sell the Accused Products.
- 58. Despite knowing about the 'oo7 patent, Technocraft has continued to infringe the 'oo7 patent, such that its infringements were, and continue to be, willful and deliberate.
- 59. Rieke has been and will continue to be damaged by Technocraft's infringing activities, in an amount to be established at trial.
- 60. Rieke has been suffering irreparable harm due to Technocraft's infringement and will continue to be irreparably harmed unless and until Technocraft is enjoined by this Court.

## **Prayer for Relief**

WHEREFORE, Rieke respectfully requests judgment against Technocraft as follows:

- a. Finding that Technocraft has directly infringed one or more claims of each of the Patents under 35 U.S.C. § 271(a);
- b. Finding that Technocraft has induced infringement of one or more claims of each of the Patents under 35 U.S.C. § 271(b);
- c. Finding that Technocraft has contributed to the infringement of one or more claims of each of the Patents under 35 U.S.C. § 271(c);

- d. Preliminary and permanent injunctive relief enjoining Technocraft, its officers, directors, managers, employees, affiliates, agents, representatives, parents, subsidiaries, successors, assigns, those in privity with them, and all others aiding, abetting, or acting in concert or active participation therewith, from: (a) making, using, selling, offering to sell, or importing any product covered by any of the claims of the Patents, or (b) otherwise directly or indirectly infringing any of the Patents.
  - e. Awarding Rieke compensatory damages under 35 U.S.C. § 284;
  - f. Awarding Rieke treble damages under 35 U.S.C. § 284;
- g. Ordering Technocraft to account to Rieke for all sales, revenues, and profits derived from its infringing activities and that three times those profits be disgorged and paid to Rieke under 35 U.S.C. § 284;
- h. Awarding Rieke its costs, attorneys' fees, investigatory fees, and expenses to the full extent provided by 35 U.S.C. § 285;
  - i. Awarding Rieke pre-judgment and post-judgment interest;
- j. Awarding Rieke any other actual and punitive damages to which Rieke is entitled under applicable federal and state laws; and
- k. Such other and further relief as allowed at law or in equity that the Court deems to be appropriate, just, and proper.

Dated: June 24, 2019

s/ Jeremy J. Grogg

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# <u>Jury Demand</u>

Plaintiff Rieke LLC hereby demands a jury trial for all issues so triable.

s/ Jeremy J. Grogg

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