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## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO WESTERN DIVISION

Stoett Industries, Inc.	)	Case No.
600 Defiance Avenue	)	II
Hicksville, OH 43526,		Hon.
an Ohio Limited Liability Company,	)	
and	)	
Newline International, LLC	ý	
602 S. Main Street #6	)	
Culpeper, VA 22701,	)	
a limited liability company of Virginia,	) )	
Plaintiffs,	)	
vs.	)	
Irvine Shade & Door, Inc.	)	
1000 Verdant Drive		
Elkhart, IN 46516	)	
an Indiana corporation,	) )	
Defendant.	) )	

## **COMPLAINT WITH JURY DEMAND**

Stoett Industries, Inc. ("Stoett") and Newline International, LLC ("Newline"), for their Complaint against Irvine Shade & Door, Inc. ("Irvine"), state as follows:

### THE PARTIES

1. Stoett Products, LLC is an Ohio limited liability company with its principal place of business at 600 Defiance Avenue, Hicksville, Ohio.

 Newline has its principal place of business at 602 S. Main Street, #6, Culpeper, VA 22701.

3. Upon information and belief, Defendant operates in Indiana and has a principal place of business at 1000 Verdant Drive, Elkhart, Indiana. Upon information and belief, Defendant manufactures or has manufactured on its behalf, offers for sale, sells, and/or uses in the United States shower screens.

## **JURISDICTION**

4. This is an action for violation of the patent laws of the United States of America,
35 U.S.C. § 1, *et seq.*; and for violation of the Ohio deceptive trade practices laws, Ohio Rev.
Code 4165.01, *et seq.*

5. The Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1332 and 1338(a), 1338(b) and 1367(a).

6. The amount in controversy exceeds the sum of \$75,000 and diversity of citizenship exists.

7. This Court has jurisdiction over Defendant because, *inter alia*, it: (1) transacts business in this state; and (2) engages in infringing conduct in this state, and/or induces others to engage in infringing conduct in this state.

8. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and (c) and 1400(b) because Defendant does business in the State of Ohio, has committed acts of infringement in this State and in this District, has regular and established business in this District, and is subject to personal jurisdiction in this District.

#### **BACKGROUND FACTS**

9. Newline is a shower screen builder founded in New Zealand in 1983. Newline expanded its sales and facilities into the United States in 2002.

10. Newline is the owner of a utility patent, U.S. Pat. No. 6470511 ("the '511 patent").

11. Stoett is the exclusive distributor in the United States for devices covered by the'511 patent.

12. On November 22, 1999, a non-provisional patent application was filed with the United States Patent and Trademark Office ("the USPTO") for "SHOWER SCREENS," naming inventor Gregory J. Smale.

13. On October 29, 2002, the application was issued as U.S. Patent No. 6470511. A copy of the '511 patent is attached hereto as Exhibit A.

14. Effective October 29, 2002, the '511 patent was sold, assigned and transferred to Newline. This assignment remains in place to date and was memorialized in the Assignment dated May 14, 2019. A copy of this Assignment is attached hereto as Exhibit B.

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15. Via a Licensing Agreement Between Newline and Stoett dated December 2, 2012, Stoett became the exclusive licensee to manufacture and sell devices covered by the '511 patent. A redacted copy of this License Agreement is attached hereto as Exhibit C.

16. Stoett distributes shower screens throughout the United States. The devices are sold individually at MSRP of about \$215.00 for a single shower screen. Attached hereto as Exhibit D are photographs of the packaging sold by Stoett.

17. Since 2012, Stoett has sold over 90,000 shower screens through its own United States distributors, to customers, and at fairs, exhibitions, and the like.

### **Defendant's Infringing Conduct**

18. On information and belief, Defendant has entered into contracts or relationships with certain third-parties to make and/or sell infringing shower screens, and such contracts have resulted or will result in the lost sales of the shower screens of Newline and Stoett.

19. On information and belief, Defendant has entered into such contracts or relationships to manufacture and/or sell infringing shower screens knowingly, willingly, and intentionally in violation of Newline's and Stoett's rights.

20. On information and belief, Defendant is making, has made, sold, is selling, and/or preparing to sell a shower screen that infringes the '511 patent. Photographs of the infringing shower screen are shown in Exhibit E.

#### COUNT I (INFRINGEMENT OF THE '511 PATENT)

21. Newline and Stoett reallege and incorporate by reference the allegations set forth in the preceding paragraphs above as if fully set forth herein.

22. On October 29, 2002, the '511 patent was duly and lawfully issued.

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23. Since December 2, 2012, Stoett has been the exclusive licensee in the United States for shower screens covered by the '511 patent.

24. Upon information and belief, in violation of 35 U.S.C. § 271, Defendant is and has been infringing, contributing to infringement, and/or offering to sell in the United States, or importing into the United States, products that practice the invention claimed in the '511 patent, including without limitation shower screens sold under the SLOW-ROLL trademark.

25. As a result of Defendant's unlawful infringement of the '511 patent, Newline and Stoett have and will continue to suffer damages. Newline and Stoett are entitled to recover from Defendant the damages suffered as a result of Defendant's unlawful acts.

26. On information and belief, Defendant intends to continue its unlawful infringing activities, and Newline and Stoett continue to and will continue to suffer irreparable harm – for which there is no adequate remedy at law – from such unlawful infringing activities unless this Court enjoins Defendant from further infringing activities.

#### COUNT II (STATE DECEPTIVE TRADE PRACTICES)

26. Newline and Stoett reallege and incorporate by reference the allegations set forth in the preceding paragraphs above as if fully set forth herein.

27. Defendant is a "person" within the meaning of Ohio Rev. Code § 4165.01(D).

28. The acts of Defendant constitute deceptive trade practices in violation of Ohio's deceptive trade practices laws, Ohio Rev. Code § 4165.01, et seq., including without limitation a deception and/or confusion among consumers and the public at large as to the source of origin of goods sold.

29. As a result of the deceptive trade practices of Defendant, Newline and Stoett have suffered and will continue to suffer damages in an amount to be prven at trial. As a further result

of Defendant's deceptive trade practices, Newline and Stoett are entitled to the recovery of damages and attorneys' fees pursuant to § 4165.03 of the Ohio Rev. Code.

30. Defendant's deceptive acts and practices have caused and will continue to cause irreparable harm to Newline and Stoett unless said deceptive acts and practies are enjoined.

31. Newline and Stoett have no adequate remedy at law.

#### COUNT III (UNFAIR COMPETITION/UNJUST ENRICHMENT)

32. Newline and Stoett reallege and incorporate by reference the allegations set forth in the preceding paragraphs above as if fully set forth herein.

33. Defendant's continued and intentional disregard for Plaintiffs' exclusive rights in and to the '511 patent constitute a violation of common law.

34. Defendant has been unjustly enriched at the expense of Plaintiffs, Defendant profiting unjustly in an amount to be proven at trial.

35. As a result of Defendant's willful infringement, Plaintiffs have suffered and continue to suffer in incur damages in an amount to be proven at trial.

36. In addition to the monetary harm suffered and incurred by Plaintiffs that may be calculable, Plaintiffs will suffer irreparable harm due to the difficulty in measuring the amount of damages inflicted as a result of Defendant's wrongful, infringing acts. Plaintiffs will suffer harm that connot be quantified nor fully compensated for, such as harm to their respective goodwill, future lost sales, market share, and loss of value.

37. Plaintiffs have no adequate remedy at law to fully compensate them for the irreparable harm they have and will suffer if the conduct of Defendant is not restrained and enjoined.

## PRAYER FOR RELIEF

WHEREFORE, Newline and Stoett pray for the following relief against the Defendant:

- A. That Defendant be declared to have infringed, induced others to infringe, and/or committed acts of contributory infringement with respect to the claims of the patent-in-suit as alleged above;
- B. That Defendant and its officers, agents, servants, employees, and all those persons acting or attempting to act in concert or in participation with them or acting on its behalf be immediately, preliminarily, and permanently enjoined from further from infringement of the patent-in-suit;
- C. That Defendant be ordered to account for and pay to Newline and Stoett all damages caused by Defendant by reason of Defendant's infringement of the patent-in-suit pursuant to 35 U.S.C. § 289, or, in the alternative, that Defendant be ordered to pay to Newline and Stoett a reasonable royalty by reason of Defendant's infringement of the patent-in-suit pursuant to 35 U.S.C. § 289;
- D. That Defendant be ordered to pay treble damages for willful infringement of the patent-in-suit pursuant to 35 U.S.C. § 284;
- E. That this case be declared exceptional under 35 U.S.C. § 285 and that Newline and Stoett be awarded its attorneys' fees, expenses, and costs incurred in this action;
- F. A permanent injunction be issued restraining Defendant, its agents, servants, employees, successors and assigns, and all others in concert and privity with it:
  - 1. From selling or preparing to sell shower screens that infringe the '511 patent; and
  - 2. From otherwise unfairly competing with Newline and Stoett.
- G. An Order requiring Defendant to file with the Court an accounting for Defendant's sales and profits realized by Defendant through the sale of its infringing shower screens;
- H. That Newline and Stoett be granted pre-judgment and post-judgment interest on the damages caused by reason of Defendant's infringement of the patent-in-suit;
- I. That Defendant be ordered to pay all costs associated with this action; and

J. That Newline and Stoett be granted such other and additional relief as the Court deems just and proper.

Date: May 16, 2019

Respectfully submitted,

By: /s/ David P. Strup

Michael E. Dockins (SBN 79777) David P. Strup (SBN 34665) SHUMAKER LOOP & KENDRICK, LLP 1000 Jackson Street Toledo, OH 43604 Telephone: (419) 321-1473 Facsimile: (419) 241-6894 Email: mdockins@shumaker.com dstrup@shumaker.com

Counsel for Plaintiffs

# JURY DEMAND

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Newline and Stoett hereby

demand a trial by jury as to all issues so triable.

By: <u>/s/ David P. Strup</u> Michael E. Dockins (SBN 79777) David P. Strup (SBN 34665) **SHUMAKER LOOP & KENDRICK, LLP** 1000 Jackson Street Toledo, OH 43604 Telephone: (419) 321-1473 Facsimile: (419) 241-6894 Email: <u>mdockins@shumaker.com</u> <u>dstrup@shumaker.com</u>

Counsel for Plaintiffs