

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF KENTUCKY

CASE NO. 3-11-cv-660-S

PROMOLD & TOOL, LLC , BEAR ONSITE, LLC, and  
MICHAEL J. HORNBACK,

Plaintiffs,

v.

POLYLOK, INC and PETER GAVIN AND MICHAEL N.  
DELGASS, AS TRUSTEES OF THE PETER GAVIN SPRAY TRUST

Defendants.

**PETITION FOR DECLARATION OF RIGHTS**

COME now the Plaintiffs Promold & Tool, LLC (“Promold”), Bear Onsite, LLC (“Bear Onsite”), and Michael J. Hornback bring their petition for declaration of rights against the Defendants Polylok, Inc. (“Polylok”) and Peter Gavin and Michael N. Delgass, as Trustees of the Peter Gavin Spray Trust (“Trust”) as follows:

**Parties**

1. Promold is a Kentucky limited liability company with its principle place of business at 1616 E. Rockford Lane, Louisville, Kentucky 40216.
2. Bear Onsite is a Tennessee limited liability company with its principle place of business at 55 Thompson Way, Somerville, Tennessee 38068.
3. Michael J. Hornback resides in Louisville, Kentucky and is an owner and employee of Promold.
4. Upon information and belief, Polylok is a Connecticut corporation with its principle place of business at 3 Fairfield Boulevard, Wallingford, Connecticut 06492.

5. Upon information and belief, the Trust is a Connecticut trust created pursuant to an agreement dated May 26, 2004, by and between Norman W. Gavin as Grantor and Peter Gavin and Michael L. Delgass as trustees. Peter Gavin resides in Durham, Connecticut and Michael N. Delgass resides in Weston, Connecticut.

#### **Jurisdiction and Venue**

6. There exists between the Plaintiffs Bear Onsite, Promold and Michael J. Hornback on the one hand, and the Defendants Polylok and the Trust on the other, a justiciable controversy.
7. This is a Petition for a Declaratory Judgment that United States Patent Number 6,129,837 ("the '837 patent") is invalid, unenforceable, and/or not infringed by Bear Onsite. This action arises under the Patent Laws of the United States. This Petition further requests a Declaration of Rights with regards to Promold, Michael J. Hornback, and Defendants Polylok and the Trust. Jurisdiction is based upon 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.
8. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§1400(b) and 1391(b)(2) because a substantial part of the events giving rise to the claims asserted by Polylok and the Trust occurred in the Western District of Kentucky. More specifically, the Plaintiffs lack minimum contacts with Connecticut and inasmuch as this controversy concerns the manufacture of an effluent septic filter and the allegation that the filter infringes upon the '837 patent held by the Defendant Trust, that effluent septic filter is manufactured in the Western District of Kentucky where both Promold and Hornback reside.

#### **Facts**

9. On March 15, 2007 an Asset Purchase Agreement, attached hereto as Exhibit A, by and between Bluegrass Environmental Septic Technology, LLC ("BEST") and Polylok was executed. Pursuant to that agreement the Plaintiff Michael J. Hornback, who was President of BEST, agreed to be bound by a covenant not to compete providing that he would "not,

directly or indirectly, own, operate, or be employed by any business which manufactures or sells any effluent septic filter, the rights to which are owned by such business doing the manufacturing or selling, which effluent septic filter competes with the Filter within the United States.”

10. Plaintiff Michael J. Hornback is an owner of Promold. Michael J. Hornback does not own or operate Bear Onsite, and is not employed by Bear Onsite. Promold does not manufacture an effluent septic filter, the rights to which it owns.
11. Nevertheless, on November 3, 2011 Polylok and the Trust filed suit in the United States District Court for Connecticut against Bear Onsite, Promold and Michael J. Hornback. Although summons issued no service upon the Bear Onsite, Promold or Michael J. Hornback has been effected. The Connecticut suit alleges that Hornback agreed not to compete with Polylok in the Asset Purchase Agreement but that “Hornback, operating as Promold, continues to manufacture effluent septic filters and compete with Polylok.”
12. The Connecticut suit Complaint further alleges that Bear Onsite’s effluent septic filters and water level control alert devices infringe upon the ’837 patent owned by the Trust.
13. Upon information and belief, on October 10, 2000, the United States Patent and Trademark Office issued the ’837 patent entitled “Waste Water Treatment Filter Including Waste Water Level Control Alert Device.” A copy of the ’837 patent is attached to this Petition as Exhibit B.
14. Upon information and belief, through an assignment, recorded in the U.S. Patent and Trademark Office on April 17, 2006, at Reel 017480, Frame 0186, The Peter W. Gavin Spray Trust owns all right, title and interest in and to the ’837 patent.
15. The Connecticut Complaint states causes of action for patent infringement against Bear Onsite; for breach of contract against Hornback; for violation of the Connecticut Unfair

Trade Practices Act against Hornback and Promold; for unjust enrichment against Hornback and Promold; and for unfair competition against Hornback and Promold.

16. The Connecticut Complaint asserts that that Bear Onsite conducts business in or sells effluent septic filters or water level control alert devices throughout the United States through its website. This is apparently the alleged basis of Polylok and the Trust's general allegation that Bear Onsite transacts business in Connecticut or supplies infringing goods and commits tortuous acts within that state.
17. As to Promold, the Connecticut Complaint asserts personal jurisdiction solely upon the basis of the general and unspecified allegation that Promold entered a contract to be performed in Connecticut, solicited business in Connecticut and committed tortuous conduct in that state. Promold does not have a website and has never solicited business in Connecticut. It is unclear why the Asset Purchase Agreement may be said to be performed in Connecticut as it provides for the use of Wisconsin law for interpretation of the contract and BEST's assets were in Wisconsin at the time of the execution of the Asset Purchase Agreement.
18. Hornback is likewise alleged to have transacted business and committed tortuous conduct in Connecticut. The basis for this allegation is not provided by the Connecticut Complaint.
19. Bear Onsite, Promold and Hornback, if they are served will contest personal jurisdiction by means of a Motion to Dismiss and/or Transfer the Connecticut case to the United States Court for the Western District of Kentucky.
20. An actual controversy exists between the Plaintiffs and Defendants to this action. Polylok and the Trust are asserting that Promold's manufacture of Bear Onsite's effluent septic filter violates the Asset Purchase Agreement's covenant not to compete as to Hornback. The Defendants also assert that Bear Onsite's effluent septic filter and water level control alert devices infringe upon the '837 patent.

**Count I**

**Declaratory Judgment of Invalidity, Unenforceability, and/or Noninfringement of United States**

**Patent No. 6,129,837**

21. Paragraphs 1 through 20 are incorporated by reference herein.
22. In view of Defendants Polylok and The Trust's accusations of infringement of the '837 patent and filing of the Connecticut complaint, Plaintiff Bear Onsite has a reasonable fear and apprehension that patent infringement litigation will be, or has already been, brought against it.
23. Consequently, an actual justiciable controversy exists between the parties.
24. Premier Mold, based in Louisville, KY, currently manufactures Bear Onsite's allegedly infringing effluent filter.
25. Upon information and belief, the alleged inventor of the '837 patent and the original assignee currently reside in Louisville, KY.
26. Bear Onsite has not sold any allegedly infringing products in the state of Connecticut..
27. Consequently, venue for this controversy properly lies in the Western District of Kentucky.
28. When the claims are properly construed, the '837 patent is invalid, unenforceable, and/or not infringed by Bear Onsite.
29. Bear Onsite reserves the right to raise a claim of inequitable conduct if the discovery and proof support such a claim.
30. The allegations by Polylok and the Trust that Bear Onsite has infringed the '837 patent are frivolous, and this is an exceptional case within the meaning of 35 U.S.C. § 285 entitling Bear Onsite to an award of reasonably attorney fees and costs for this litigation.

**Count II**

**Declaratory Judgment as to the Alleged Breach of the Asset Purchase Agreement's**

**Covenant Not to Compete**

31. Paragraphs 1 through 29 are incorporated by reference herein.
32. Polylok has brought suit for breach of the Asset Purchase Agreement's covenant not to compete against Promold and Michael J. Hornback alleging that "Hornback, operating as Promold, continues to manufacture effluent septic filters and compete with Polylok."
33. Consequently, an actual justiciable controversy exists between the parties.
34. Promold is in Louisville, Kentucky.
35. Michael J. Hornback resides and works in Louisville, Kentucky.
36. The effluent septic filters manufactured by Premier Mold in Louisville, Kentucky are not sold in Connecticut. Neither Promold nor Michael J. Hornback have solicited or transacted business in Connecticut, nor have they otherwise committed tortuous conduct there.
37. Consequently, venue for this controversy properly lies in the Western District of Kentucky.
38. Promold does not manufacture effluent septic filters. The manufacture of such filters by Michael J. Hornback doing business as Premier Mold does not violate the covenant not to compete in the Asset Purchase Agreement because Hornback's company, Premier Mold, does not own the rights to the effluent septic filter which it manufactures.

WHEREFORE the Plaintiff's demand that the Court enter an order determining the respective rights of the parties pursuant to the Asset Purchase Agreement and whether the '837 patent is valid, enforceable, and infringed by Bear Onsite; to enter such other orders as are necessary and appropriate to implement and carry out the Court's declaration of right to be made; and to grant Plaintiffs any and all other just and proper relief to which it may appear entitled, including attorneys fees and costs.

Respectfully submitted,

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