

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

ETi SOLID STATE LIGHTING, INC.,)	CASE NO. 1:17-cv-2403
)	
Plaintiff,)	JUDGE:
)	
vs.)	MAGISTRATE JUDGE:
)	
SATCO PRODUCTS, INC.,)	COMPLAINT
)	FOR PATENT INFRINGEMENT
)	
Defendant.)	JURY TRIAL DEMAND
)	ENDORSED HEREON

Plaintiff, ETi Solid State Lighting, Inc. (“ETi”), alleges as follows for its Complaint against Defendant, Satco Products, Inc. (“Satco”).

NATURE OF ACTION

1. This is an action for patent infringement under the patent laws of the United States, 35 U.S.C. §§ 271, *et seq.*, to enjoin infringement and obtain damages resulting from Satco’s unauthorized and ongoing actions, in the State of Ohio and elsewhere, of making, having made, using, selling, having sold, offering to sell, distributing, and/or importing or having imported into the United States, certain lighting products that infringe on one or more claims of ETi’s U.S. Patent Nos.: 9,500,352 (the “352 Patent”) and 9,541,270 (the “270 Patent”) (collectively, the “Asserted Patents”).

2. This is an action for direct infringement. Upon information and belief, Satco makes, has made, uses, sells, offers to sell, distributes, and/or imports or has imported into the United States certain personal lighting products including, but not limited to, flush mount LED

lighting products for use with screw-in incandescent bulb sockets that infringe one or more claims of the Asserted Patents, either literally or under the Doctrine of Equivalents.

THE PARTIES

3. ETi is a corporation organized under the laws of Ohio, with its principal place of business at 720 Corporate Woods Parkway Vernon Hills, IL 60061, doing business in Chagrin Falls, Cuyahoga County, State of Ohio, listing its agent as Corporation Service Company which is located at 50 West Broad Street, Suite 1330, Columbus, OH 43215.

4. Upon information and belief, Satco is a corporation organized under the laws of New York, with its principal place of business at 110 Heartland Blvd., Brentwood, NY 11717 and whose registered agent is Lynn, Gartner, Dunne & Covello, LLP and is located at 330 Old Country Rd. Suite 103, Mineola, NY 11501.

JURISDICTION AND VENUE

5. This is an action for patent infringement arising under the United States patent statutes, 35 U.S.C. § 100, *et seq.*

6. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).

7. Satco has committed acts of patent infringement within the United States and more particularly, within this District.

8. Upon information and belief, Satco is transacting business within the State of Ohio and this District.

9. This Court has personal jurisdiction over Satco because Satco is transacting business within this District and has committed acts and, on information and belief, will continue to commit acts within this District giving rise to this action, including offering to sell and selling

infringing products and/or placing infringing products, directly or through intermediaries (including manufacturer's representatives, distributors, retailers, and others), into the stream of commerce in such a way as to reach customers in this District.

10. Satco has purposefully and voluntarily sold one or more of its infringing products with the expectation that they will be purchased by consumers in this District.

11. These infringing products have been and continue to be purchased by consumers in this District.

12. Upon information and belief, Satco has committed acts, and will continue to commit acts within the State of Ohio and this District giving rise to this action, by offering to sell and selling infringing products and/or placing infringing products, directly or through intermediaries (such as Hawkins Sales of Ohio, Inc. ("Hawkins Sales"), 1355 Valley Belt Road, Brooklyn Heights, Ohio 44134, a manufacturer's representative) into the stream of commerce in such a way as to reach customers in the State of Ohio and this District.

13. Upon information and belief, Satco provides sales and distribution services through its manufacturer representatives, and others, in the State of Ohio and this District.

14. Upon information and belief, Satco has sold and/or distributed and/or marketed products in the State of Ohio and this District.

15. Upon information and belief, Satco has representatives and/or agents and/or operations in the State of Ohio and this District.

16. Upon information and belief, Satco, has regular or established business operations in the State of Ohio and this District.

17. Upon information and belief, Satco has systematic and continuous sales and/or distribution services, and/or marketing activities in the State of Ohio and this District.

18. Upon information and belief, this Court has personal jurisdiction over Satco as a result of Satco's systematic and continuous contacts within the State of Ohio and this District.

19. Upon information and belief, Satco's systematic and continuous contacts within the State of Ohio and this District result from its continuous contact with, and sales to, customers in Ohio and this District.

20. Satco offers for sale, sells, uses, imports, distributes, and/or advertises products and/or services that infringe on one or more of the claims of the Asserted Patents in the State of Ohio, and are accessible to and accessed by customers and/or clients in this District, *e.g.*, through Hawkins Sales.

21. Venue is proper in the Northern District of Ohio under 28 U.S.C. §§ 1391 (b) and 28 U.S.C. § 1400(b).

FACTUAL BACKGROUND

22. ETi is a vertically integrated LED manufacturer and marketer which offers a full portfolio of innovative luminaire-based solutions.

23. On November 22, 2016, the United States Patent and Trademark Office issued the '352 Patent.

24. On January 10, 2017, the United States Patent and Trademark Office issued the '270 Patent.

25. On several occasions, ETi has notified Satco of its infringement of the Asserted Patents, which incorporate patented technologies that include, *inter alia*, a flush mount ceiling lamp on its Satco-Nuvo screw-on utility fixture (in particular, Model Nos.: 62-961, 62-962, 62-963, 62-964, 62-966), and requested that Satco enter into discussions with ETi.

26. On, or about, December 21, 2016, ETi's legal counsel sent correspondence to Philip Weiss, Esq. ("Mr. Weiss"), counsel for Satco, to strictly provide notice of potential infringement.

27. On January 12, 2017, ETi's legal counsel conducted an initial telephone conference with Mr. Weiss.

28. On January 12, 2017, Mr. Weiss sent an email to D. Peter Hochberg ("Mr. Hochberg") confirming the January 12, 2017 conversation and that he would provide a response to Mr. Hochberg's December 21, 2016 correspondence.

29. On, or about, March 17, 2017, ETi's legal counsel conducted a second telephone conference with Mr. Weiss.

30. On this second telephone conference, Satco's counsel stated that Satco was redesigning its light fixture to remove the infringing aspects from Satco's products.

31. On March 31, 2017, ETi's legal counsel sent a follow-up correspondence to the March 17, 2017 telephone conference with Mr. Weiss summarizing the call and requesting written acknowledgement from Satco stating its intent to remove the infringing products from the marketplace.

32. Then, on April 12, 2017, ETi's legal counsel sent an email correspondence to Mr. Weiss at Satco, stating that it must remove its ceiling light product from the marketplace as well.

33. Satco has nonetheless failed to respond to ETi's April 12, 2017 correspondence at all, and has chosen instead to continue infringing the Asserted Patents willfully and wantonly.

34. Neither Mr. Weiss, nor anyone else at Satco, responded to ETi's April 12, 2017 correspondence.

35. On, or about, June 22, 2017, ETi's legal counsel sent another letter to Mr. Weiss following-up on its December 21, 2016 letter, and its March 17, 2017 telephone conference, and its March 31, 2017 letter to/with Mr. Weiss regarding statements made on removing its infringing products from the market.

36. Satco has nonetheless failed to respond to ETi's June 22, 2017 correspondence at all, and has chosen instead to continue infringing the Asserted Patents willfully and wantonly.

37. Satco has derived substantial value from these products and/or services which incorporate the patented technologies.

38. Satco continues to derive substantial value from these products and/or services which incorporate the patented technologies.

FIRST CLAIM FOR RELIEF
(Infringement of U.S. Patent 9,500,352)

39. ETi repeats and re-alleges as if fully set forth herein its responses to the allegations in paragraphs 1 to 38 as if fully set forth herein.

40. ETi is the owner of all right, title and interest in '352 Patent. A true and accurate copy of the '352 Patent is attached hereto as **Exhibit A**.

41. The '352 Patent is valid and enforceable and ETi has the full right to recover for past infringement damages and the right to recover future royalties, damages and income.

42. Upon information and belief, Satco has directly infringed the '352 Patent, without ETi's authority by making, importing, selling, offering to sell, and/or using certain light housing base technology that embody the patented invention of the '352 Patent, specifically at least Claim 24, including, but without limitation to, an annular recess between the outer base wall and the inner base wall upon which the printed circuit board rests, a socket based disposed in the

back of the housing base which does not extend beyond the rearward wall of the housing base and a printed circuit board comprising of LEDs and electrical circuitry.

43. Upon information and belief, Satco has known of the '352 Patent since at least December 21, 2016, and has disregarded, and continues to disregard that Satco's actions infringe the '352 Patent.

44. Upon information and belief, Satco's direct infringement has been and continues to be deliberate, willful, intentional, and with knowledge of the existence of the '352 Patent since at least December 21, 2016, when ETi's legal counsel sent correspondence to Mr. Weiss to place Satco on notice, such that ETi is entitled to enhanced damages and to recover its attorneys' fees and other expenses of litigation pursuant to 35 U.S.C. §§ 284 and 285.

45. ETi has at no time either expressly or impliedly licensed Satco to practice the '352 Patent.

46. Upon information and belief, Satco has caused irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

47. Upon information and belief, Satco will continue to cause irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

48. As a result of Satco's actions, ETi has suffered substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Satco, unless Satco is enjoined by this Court.

49. As a result of Satco's actions, ETi will continue to suffer substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Satco, unless Satco is enjoined by this Court.

SECOND CLAIM FOR RELIEF
(Infringement of U.S. Patent 9,541,270)

50. ETi repeats and re-alleges as if fully set forth herein its responses to the allegations in paragraphs 1 to 49 as if fully set forth herein.

51. ETi is the owner of all right, title and interest in '270 Patent. A true and accurate copy of the '270 Patent is attached hereto as **Exhibit B**.

52. The '270 Patent is valid and enforceable and ETi has the full right to recover for past infringement damages and the right to recover future royalties, damages and income.

53. Upon information and belief, Satco has infringed the '270 Patent, without ETi's authority by making, importing, selling, offering to sell, and/or using certain lighting electrical component technology that embody the patented invention of the '270 Patent, specifically at least Claim 21, including, but without limitation to, an electrical component connected to the housing base, by virtue of being connected to the socket base, as well as the printed circuit board, and the central portion are nested together.

54. Upon information and belief, Satco has known of the '270 Patent since at least January 10, 2017, and has disregarded, and continues to disregard that Satco's actions infringe the '270 Patent.

55. Upon information and belief, Satco's direct infringement has been and continues to be deliberate, willful, intentional, and with knowledge of the existence of the '270 Patent since at least January 10, 2017, when ETi's legal counsel sent correspondence to Mr. Weiss to place Satco on notice, such that ETi is entitled to enhanced damages and to recover its attorneys' fees and other expenses of litigation pursuant to 35 U.S.C. §§ 284 and 285.

56. ETi has at no time either expressly or impliedly licensed Satco to practice the '270 Patent.

57. Upon information and belief, Satco has caused irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

58. Upon information and belief, Satco will continue to cause irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

59. As a result of Satco's actions, ETi has suffered substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Satco, unless Satco is enjoined by this Court.

60. As a result of Satco's actions, ETi will continue to suffer substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Satco, unless Satco is enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, ETi respectfully requests that the Court enter judgment against Satco and against its respective subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, and employees, and all persons in privity or active concert or participation with Satco, granting the following relief:

- A. The entry of judgment in favor of ETi and against Satco;
- B. A judgment that one or more claims of the '352 Patent have been directly infringed either literally and/or under the Doctrine of Equivalents;
- C. A judgment that one or more claims of the '270 Patent have been directly infringed either literally and/or under the Doctrine of Equivalents;
- D. Issue an Order directing Satco and its officers, agents, servants, employees, and attorneys, and those acting in concert and participation with them who receive

actual notice of the Order, to destroy all infringing products, as well as all mold, machines, tooling, or other equipment used in the manufacturer of products infringing the Asserted Patents;

- E. Issue an Order granting preliminary injunctive relief restraining and enjoining Satco and its officers, agents, servants, employees, and attorneys, and those acting in concern and participation with them who receive actual notice of the Order from infringement of the Asserted Patents for the full term thereof;
- F. Issue an Order granting permanent injunctive relief restraining and enjoining Satco and its officers, agents, servants, employees, and attorneys, and those acting in concern and participation with them who receive actual notice of the Order from infringement of the Asserted Patents for the full term thereof;
- G. A judgment for monetary damages resulting from Satco's infringement of the Asserted Patents in an amount to be proven at trial, but no less than a reasonable royalty, together with pre-judgment interest and post-judgment interest;
- H. An award of actual damages against Satco for damages arising from Satco's infringement of the Asserted Patents to be willful and deliberate, and a trebling of damages pursuant to 35 U.S.C. § 284;
- I. A judgment holding this case to be an exceptional case, and an award to ETi for its attorneys' fees, costs and expenses incurred prosecuting this action pursuant to 35 U.S.C. § 285;
- J. In the event a final injunction is not granted, a compulsory on-going royalty; and
- K. Such other relief to which ETi is entitled under law, and any other and further relief as this Court may deem just and proper.

Dated: November 15, 2017

Respectfully submitted,

/s/ Craig A. Marvinney

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JURY DEMAND

ETi hereby demands a trial by jury, pursuant to Rule 38 of the Federal Rules of Civil Procedure on all issues so triable.

Dated: November 15, 2017

Respectfully submitted,

/s/ Craig A. Marvinney _____

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