# IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION

INVUE SECURITY PRODUCTS INC.,	)
Plaintiff,	)
v.	) Civil Action No. <u>3:13-cv-</u> 253
SPECIALITY STORE SERVICES, INC.,	) (Jury Trial Demanded)
Defendant.	) ) )

## **COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff, InVue Security Products Inc. ("Plaintiff" or "InVue") brings this action against Specialty Store Services, Inc. ("Defendant" or "Specialty") and for its complaint, alleges as follows:

### **PARTIES**

1. This is an action for patent infringement arising under the Patent Act of the United States, 35 U.S.C. § 1 *et seq.*, relating to lockable merchandise display hooks sold by Defendant, which infringe U.S. Patent No. 7,131,542 assigned to Plaintiff.

## NATURE OF THE SUIT

- 2. InVue is a corporation organized and existing under the laws of the State of Ohio with its principal place of business in Charlotte, North Carolina.
- 3. Specialty is a corporation organized and existing under the laws of the State of Illinois with a principal place of business at 454 Jarvis Avenue, Des Plaines, Illinois 60018.

Specialty may be served through its registered agent for service of process, Evan Finke, who is located at 454 Jarvis Avenue, Des Plaines, Illinois 60018. Mr. Finke is President of Specialty.

### **JURISDICTION AND VENUE**

- 4. This is an action for patent infringement under 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. §§ 271, 281, and 283-285.
- 5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a). Additionally, Plaintiff and Defendant are citizens of different states and the amount in controversy exceeds, exclusive of interest and costs, the sum specified by 28 U.S.C. § 1332.
- 6. Personal jurisdiction over Specialty is proper pursuant to North Carolina General Statute § 1-75.4 and controlling principles of due process. Upon information and belief, Specialty has transacted and solicited business in North Carolina and in this district relating to the infringing products alleged herein and has committed acts of infringement in this state and district by offering for sale and/or selling products that infringe the patent-in-suit to one or more customers in this state and district, including by means of an interactive website (http://www.specialtystoreservices.com/default3.aspx), which targets residents of North Carolina. Specialty's web site includes a video (http://www.specialtystoreservices.com/ productchild.aspx?productid=45327&link=&group=7080&img=7003.jpg&category=3558) demonstrating its infringing products. The demonstration video is also available on YouTube (http://www.youtube.com/watch?v=kfimUJ477w0&feature=player\_embedded). Further, Specialty's infringement of the patent-in-suit as alleged herein has caused Plaintiff to suffer harm and damages in North Carolina and in this district, which is a result that was reasonably foreseeable to the Defendant when Defendant placed the infringing articles into the stream of commerce through an established channel of distribution.

7. Venue properly lies in this district pursuant to 28 U.S.C. § 1400(b) because the Defendant has committed acts of infringement in this district. Venue also properly lies in this district pursuant to 28 U.S.C. § 1391(b).

### **FACTUAL BACKGROUND**

### **Plaintiff's Products**

8. InVue provides security devices for top global retailers' high theft merchandise. InVue designs, develops, manufactures and distributes security devices, including but not limited to lockable merchandise display hooks and corresponding keys. Lockable merchandise display hooks prevent removal of items of merchandise without a key when the display hook is locked.

#### **Plaintiff's Patent**

- 9. On November 7, 2006, the United States Patent and Trademark Office duly and lawfully issued United States Patent No. 7,131,542 ("the '542 Patent"), entitled "Lockable Merchandise Display Hook." A true and correct copy of the '542 Patent is attached hereto as Exhibit A. InVue, by assignment, is the lawful owner of the '542 Patent, including the right to sue for and recover for past, present, and future infringement thereof.
- 10. InVue has spent considerable time, effort, and resources developing and promoting its products embodying the inventions of the '542 Patent.

### **Defendant's Products**

11. Upon information and belief, Specialty is importing, making, using, offering for sale, and/or selling products, namely Anti-Theft Locking Hooks (Model #7080 and Model #7012) (hereinafter "Locking Hooks") and Hand Keys (Model #7008) (hereinafter "Keys") in the United States. The Locking Hooks are used to display items of merchandise from a display

structure, while the Key is used to unlock a Locking Hook for either removing the Locking Hook from the display structure or removing items of merchandise from the Locking Hook.

# COUNT I (Infringement of U.S. Patent No. 7,131,542)

- 12. InVue hereby restates and incorporates by reference paragraphs 1-11 as if fully set forth herein.
- 13. Defendant has infringed the '542 Patent by importing, making, using, offering for sale, and/or selling in the United States, Locking Hooks that infringe one or more claims of the '542 patent.
- 14. Upon information and belief, Defendant has knowingly and with specific intent induced its customers to infringe at least one claim of the '542 patent by selling the Locking Hooks and/or Keys and has provided instructions on how to use the Locking Hooks and Keys together in a manner that infringes at least one claim of the '542 patent.
- 15. Upon information and belief, Defendant has contributed to the infringement of at least one claim of the '542 patent by importing, making, using, offering for sale, and/or selling in the United States the Locking Hooks and/or Keys that are a component of the patented machine, manufacture, combination, or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of the '542 patent, and not a staple article or commodity of commerce suitable for substantial noninfringing use.
- 16. Upon information and belief, Defendant has had knowledge of Plaintiff's rights in the '542 patent due to Plaintiff's activities and has had knowledge that the Locking Hooks and/or Keys infringe one or more claims of the '542 patent, but Defendant has continued to import, make, use, offer for sale, and/or sell the Locking Hooks and/or Keys. If facts obtained through

discovery show that Defendant's infringement is and has been willful and deliberate, InVue will pursue remedies under 35 U.S.C. §§ 284 and 285.

17. Defendant's infringement has caused damage to InVue, including lost profits. InVue is entitled to recover no less than a reasonable royalty and injunctive relief to prevent further infringement.

### PRAYER FOR RELIEF

WHEREFORE, Plaintiff InVue Security Products Inc. respectfully requests that it be granted judgment against Defendant Specialty Store Services, Inc.:

- A. That Specialty has infringed, directly and indirectly, one or more claims of United States Patent No. 7,131,542;
- B. That Specialty, its parents, subsidiaries, affiliates, officers, directors, agents, servants, employees, and all persons in active concert or participation with them be permanently enjoined from infringing, contributing to the infringement of, and inducing the infringement of the '542 Patent;
- C. Awarding InVue damages under 35 U.S.C. § 284 adequate to compensate InVue for Specialty's infringement of the '542 patent in an amount that is no less than a reasonable royalty together with costs, and prejudgment and post-judgment interest;
- D. Awarding InVue increased damages and reasonable attorneys' fees under 35 U.S.C.§§ 284 and 285 as may be appropriate; and
- E. Awarding InVue such further and other relief as the Court deems just and equitable.

## **JURY DEMAND**

Plaintiff requests a trial by jury with regard to all issues for which a trial by jury is allowed.

Respectfully submitted this 26th day of April, 2013.

# s/John P. Higgins

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