## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

KOLCRAFT ENTERPRISES, INC.,	Civil Action No
Plaintiff,	
v.  ARTSANA USA, INC. d/b/a CHICCO USA, INC. and ARTSANA, S.p.A. d/b/a ARTSANA GROUP,	JURY TRIAL DEMANDED
Defendants	

## COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff, Kolcraft Enterprises, Inc. ("Kolcraft"), complains of Defendants, Artsana USA, Inc. d/b/a Chicco USA, Inc. ("Chicco"), and Artsana, S.p.A. d/b/a Artsana Group ("Artsana Group") as follows:

- 1. This is a claim for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This Court has exclusive jurisdiction over the subject matter of this case under 28 U.S.C. §§ 1331 and 1338(a).
- 2. Kolcraft is a Delaware corporation having its primary place of business at 1100 West Monroe Street, Chicago, Illinois. Kolcraft is in the business of, among other things, developing, manufacturing and selling baby products such as playyards.
- 3. Kolcraft owns and has standing to sue for infringement of U.S. Patent No. 8,388,501 B2 (the "'501 patent") entitled "Play Gyms and Methods For Operating The Same," which issued on March 5, 2013.
- 4. Chicco is a New Jersey corporation that regularly conducts business in Illinois and specifically in this district. Chicco competes with Kolcraft in the baby products industry.

- 5. The Artsana Group is an Italian corporation headquartered in Grandate, Italy. The Artsana Group is the parent company of Chicco.
  - 6. Chicco is the primary subsidiary of the Artsana Group.
  - 7. Chicco is a principal subsidiary of the Artsana Group.
  - 8. For more than 50 years, Chicco has remained a core brand of the Artsana Group.
  - 9. Chicco is an essential part of the Artsana Group.
  - 10. Chicco's website is linked to the Artsana Group's website.
- 11. The Artsana Group maintains control over its international subsidiaries, including specifically Chicco.
  - 12. The Artsana Group controls the branding, trademark and copyrights of Chicco.
- 13. The Artsana Group controls the quality of Chicco's products, including specifically the Chicco Accused Products (defined below).
- 14. The Artsana Group benefits from the revenue derived from the sales in the United States of the Chicco Accused Produced (defined below).
  - 15. The Artsana Group and Chicco share common officers and employees.
- 16. Venue is proper in this judicial district under 28 U.S.C. §§ 1391(b)-(c) and 1400(b).
- 17. The Court has personal jurisdiction over Chicco because, among other things, Chicco transacts business in this judicial district, at least by offering to sell, selling and/or advertising infringing products at retail stores and through the Internet and other distribution channels in such a way as to reach customers in Illinois and this judicial district. Chicco has committed acts of infringement in this judicial district.

- 18. The Court has personal jurisdiction over the Artsana Group because, among other things, the Artsana Group has committed acts of infringement in this judicial district.
- 19. Defendants have infringed and are now infringing the '501 patent through, among other activities, the manufacture, use, sale, importation and/or offer for sale of infringing child playyard products, including but not limited to the Chicco Lullaby, Chicco Lullaby LX and Chicco Lullaby LX/SE Playyards and other Chicco playyard products with different names and/or model numbers but with substantially the same designs, features and functionalities as the Chicco Lullaby, Chicco Lullaby LX and Chicco Lullaby LX/SE ("Chicco Accused Products") throughout the United States, including within this judicial district, and by aiding, assisting and encouraging the infringement of the '501 patent by others.
  - 20. The Chicco Accused Products each include a portable playyard.
  - 21. The Chicco Accused Products each include a bassinet.
  - 22. The Chicco Accused Products each include a floor mat.
  - 23. The Chicco Accused Products each include a play gym.
  - 24. The play gym of each of the Chicco Accused Products has a hub and four legs.
- 25. Defendants have infringed and continue to infringe at least claims 1, 9 and 14 of the '501 patent within the meaning of 35 U.S.C. § 271(a) through the foregoing activities including, without limitation, importing, offering for sale and selling the Chicco Accused Products in the United States. Specifically, the Chicco Accused Products contain each and every element of at least claims 1, 9 and 14 of the '501 patent both literally and under the doctrine of equivalents in contravention of 35 U.S.C. §271.
- 26. Defendants have also indirectly infringed at least claims 1, 9 and 14 of the '501 patent under 35 U.S.C. 271(b) by knowingly and actively inducing infringement of those claims.

Defendants have knowingly and actively induced infringement of at least claims 1, 9 and 14, for example, through the foregoing activities including, without limitation, importing, offering to sell and selling the Chicco Accused Products in the United States, and by instructing, aiding, assisting and encouraging the offer for sale, sale and use of the Chicco Accused Products in a manner that infringes at least claims 1, 9 and 14 of the '501 patent. The direct infringers that are being induced by Defendants include, without limitation, their customers, resellers and users that offer for sale, sell and use the Chicco Accused Products in the United States. The direct infringers that are being induced by the Artsana Group include, without limitation, Chicco and its customers, resellers and users that offer for sale, sell and use the Chicco Accused Products in the United States.

- 27. Defendants have also indirectly infringed and continue to indirectly infringe at least claims 1, 9 and 14 of the '501 patent under 35 U.S.C. § 271(c) through the foregoing activities including, among other things, importing, offering for sale and selling the Chicco Accused Products and by instructing, aiding, assisting, authorizing, advertising, marketing, promoting, providing for and/or encouraging the offer for sale, sale and use of the Chicco Accused Products, which constitute a material part of the patented inventions of claims 1, 9 and 14 of the '501 patent, which Defendants know are especially made or adapted for use in an infringement of at least claims 1, 9 and 14 of the '501 patent, and which are not a staple article of commerce suitable for substantial non-infringing use. The direct infringers for Defendants' contributory infringement under 35 U.S.C. § 271(c) include, without limitation, Defendants' customers, resellers and users that offer for sale, sell and use the Chicco Accused Products.
- 28. Defendants' infringement, contributory infringement and/or knowing and intentional inducement to infringe has injured Kolcraft and Kolcraft is entitled to recover

damages adequate to compensate it for such infringement, but in no event less than a reasonable royalty.

- 29. Kolcraft has complied with 35 U.S.C. § 287. Defendants were placed on formal actual notice of infringement of the '501 patent application on December 19, 2012. The claims as issued in the '501 patent are substantially identical to the inventions as claimed in the published patent application, so pre-issuance damages are appropriate under 35 U.S.C. § 154(d).
- 30. Defendants' infringement, contributory infringement and/or inducement to infringe the '501 patent has been willful, deliberate and objectively reckless.
- 31. Defendants' infringement of the '501 patent has caused irreparable harm to Kolcraft, which has no adequate remedy at law, and will continue to injure Kolcraft unless and until this Court enters an injunction prohibiting further infringement and, specifically, enjoining further importation, manufacture, use, offer for sale and/or sale of products within the scope of the '501 patents, and enjoining Defendants from contributing to and/or inducing infringement of the '501 patent.

WHEREFORE, Plaintiff Kolcraft respectfully asks this Court to enter judgment against Defendants, and against their subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, employees, and all persons in active concert or participation with them, granting the following relief:

- a. The entry of judgment in favor of Kolcraft and against Defendants;
- b. An award of damages adequate to compensate Kolcraft for the infringement that has occurred (including pre-issuance damages under 35 U.S.C. § 154(d)), and in no event less than a reasonable royalty as permitted by 35 U.S.C. § 284, together with prejudgment interest;

- c. Increased damages as permitted under 35 U.S.C. § 284;
- d. A finding that this case is exceptional and an award to Kolcraft of its attorneys' fees and costs as provided by 35 U.S.C. § 285;
- e. A permanent injunction prohibiting further infringement, inducement and/or contributory infringement of the '501 patent; and,
- f. Such other relief that Kolcraft is entitled to under law, and any other and further relief that this Court or a jury may deem just and proper.

## **Jury Demand**

Kolcraft demands a trial by jury on all issues presented in this Complaint.

Respectfully submitted,

/s/ Raymond P. Niro, Jr.

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