PIERRE C. VAN RYSSELBERGHE, OSB No. 915230 E-mail: pvr@khpatent.com THOMAS J. ROMANO, OSB No. 053661 E-mail: tromano@khpatent.com DAVE BOURGEAU, OSB No. 103476 E-mail: bourgeau@khpatent.com KOLISCH HARTWELL, P.C. 520 S.W. Yamhill Street, Suite 200 Portland, Oregon 97204 Telephone: (503) 224-6655 Facsimile: (503) 295-6679

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

PORTLAND DIVISION

JORDCO, INC., an Oregon corporation

Plaintiff,

v.

PAC-DENT, INC., a California corporation, **PAC-DENT INTERNATIONAL INC.**, a California corporation, and **DANIEL WANG**, an individual

Defendants.

Case No. 3:13-cv-01561

COMPLAINT FOR PATENT AND TRADEMARK INFRINGEMENT

DEMAND FOR JURY TRIAL

For its complaint, Plaintiff Jordco, Inc. ("Jordco") alleges against Defendants Pac-Dent,

Inc., Pac-Dent International Inc., and Daniel Wang (collectively, "Pac-Dent" or "Defendants") as

follows:

NATURE OF THE CASE

1. This is a civil action for patent infringement under the patent laws of the United States, 35 U.S.C. §§ 1 et seq., specifically under 35 U.S.C. §§ 271 and 281, violations of the Lanham Act, and Oregon common law trademark infringement and unfair competition.

THE PARTIES

2. Jordco is a leader in the dental supplies industry, having a principal place of business at 595 N.W. 167th Avenue, Beaverton, Oregon 97006.

3. Upon information and belief, Defendant Pac-Dent, Inc. is a California corporation having its corporate headquarters at 21038 Commerce Pointe Drive, Walnut, California 91789.

4. Upon information and belief, Defendant Pac-Dent International Inc. is a California corporation having its corporate headquarters at 21038 Commerce Pointe Drive, Walnut, California 91789.

5. Upon information and belief, Daniel Wang is an individual whose address of record is 21038 Commerce Pointe Drive, Walnut, California 91789.

6. Upon information and belief, Defendant Daniel Wang owns or has owned several related companies including Pac-Dent, Inc. and Pac-Dent International Inc. Daniel Wang, individually or through one or more of these related companies, owns and operates a business for selling dental and endodontic products at http://www.pac-dent.com.

JURISDICTION AND VENUE

7. This Court has federal question jurisdiction under 28 U.S.C. §§ 1331 and 1338(a), because of the claim under 35 U.S.C. § 271 for patent infringement, and under 28 U.S.C. §§ 1331 and 1338(a) as well as 15 U.S.C. § 1121 because of the claims under 15 U.S.C. §§ 1114(1)

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and 1125(a) for federal trademark infringement and unfair competition in violation of Section 32(1) and 43(a) of the Lanham Act.

This Court has supplemental jurisdiction over Jordco's state law claims under 28
U.S.C. § 1367.

9. On information and belief, this Court has personal jurisdiction in this action because Defendants conduct business in the state of Oregon in connection with the allegations of this lawsuit.

10. Venue is proper in this judicial district under 28 U.S.C. § 1391 and 1400.

THE ASSERTED PATENT

11. On July 31, 2012, United States Patent No. 8,231,734 entitled Porous Material for Insertion Cleaning of Instruments ("the '734 patent") was issued to Jordco.

12. Jordco has owned the '734 patent throughout the period of Pac-Dent's infringing acts, and still owns the '734 patent.

13. The '734 patent covers instrument servicing systems and methods that include or use a certain porous material. A copy of the '734 patent is attached as Exhibit A.

14. Jordco has placed a notice of the '734 patent on the covered products it sells, in compliance with 35 U.S.C. § 287.

THE ASSERTED MARKS

15. Since at least as early as 2002, and long prior to the acts alleged herein, Jordco has continuously engaged in the trademarked use of the color yellow, selling distinctive yellow endodontic foam products in distinctive yellow packaging throughout the United States.

16. Jordco owns U.S. Trademark Reg. No. 4,116,976 for the trademarked use of the color yellow for packaging of foam cushions. This registration is attached as Exhibit B.

17. Jordco provides notice of registration of its products under U.S. Trademark Reg.No. 4,116,976, in compliance with 15 U.S.C. § 1111.

18. Jordco owns pending U.S. Trademark App. Ser. No. 86/043,333 for the trademarked use of the color yellow as applied to cushions configured for holding endodontic files and other instruments and medicaments used during dental procedures. A copy of the status of this application is attached as Exhibit C.

19. Jordco's trademarked use of the color yellow for endodontic foam and packaging at least in the State of Oregon has established common law trademark rights under the laws of the State of Oregon.

20. Since at least as early as 1981, and long prior to the acts alleged herein, Jordco has continuously engaged in the trademarked use of the color blue, including selling distinctive blue endodontic foam cushions and blue endodontic organizer apparatus throughout the United States.

21. Jordco owns U.S. Trademark Reg. No. 3,351,976 for the trademarked use of the color blue as applied to cushions configured for holding endodontic files and other instruments and medicaments used during dental procedures. This registration is attached as Exhibit D.

22. Jordco's trademarked use of the color blue under U.S. Trademark Reg. No. 3,351,976 is incontestable, as acknowledged on August 10, 2013 by the U.S. Patent and Trademark Office under Section 15 of the Trademark Act.

Jordco provides notice of registration of its products under U.S. Trademark Reg.
No. 3,351,976, in compliance with 15 U.S.C. § 1111.

24. Jordco owns pending U.S. Trademark App. Ser. No. 85/693,478 for the trademarked use of the color blue as applied to endodontic instruments, namely, an endodontic

organizer apparatus comprised of a housing configured to receive a cushion, the housing and cushion being used to place, store, measure and clean dental or endodontic files and other instruments and medicaments used during a dental or endodontic procedure. A copy of the status of this application is attached as Exhibit E.

25. Jordco's trademarked use of the color blue for endodontic foam cushions and endodontic organizer apparatus at least in the State of Oregon has established common law trademark rights under the laws of the State of Oregon.

THE ACCUSED PRODUCTS

26. On information and belief, Pac-Dent markets and sells endodontic foam products. On information and belief, examples include Pac-Dent products listed under reference numbers 802, 803TY, 803, 803T, 803Y, 803L and 804 on page 43 of the Pac-Dent 2013 Product Catalog, and under reference numbers 811, 812, and 813 on page 44 of the Pac-Dent 2013 Product Catalog. A copy of relevant excerpts from the Pac-Dent 2013 Product Catalog is attached as Exhibit F.

27. Jordco has never authorized the Defendants to make, use, offer to sell, sell, and/or import into the United States products covered by the '734 patent.

28. On information and belief, Pac-Dent markets and sells yellow endodontic foam products. On information and belief, examples shown in Exhibit F include Pac-Dent products listed under reference numbers 802, 803TY, and 803Y on page 43 of the Pac-Dent 2013 Product Catalog.

29. On information and belief, Jordco began the trademarked use of the color yellow for endodontic foam products and associated packaging before Defendants began the use as a trademark of the color yellow for endodontic foam and associated packaging.

30. Jordco has never authorized the Defendants to use the color yellow as applied to Defendants' foam products or associated packaging.

31. On information and belief, Pac-Dent markets and sells blue endodontic foam products. On information and belief, examples shown in Exhibit F include Pac-Dent products listed under reference numbers 811, 812, and 813 on page 44 of the Pac-Dent 2013 Product Catalog.

32. On information and belief, Jordco began the trademarked use of the color blue for endodontic foam products before Defendants began the use as a trademark of the color blue for endodontic foam.

33. Jordco has never authorized the Defendants to use the color blue as applied to Defendants' foam products.

34. On information and belief, Pac-Dent markets and sells blue endodontic organizer apparatus. On information and belief, examples shown in Exhibit F include Pac-Dent products listed under reference numbers 802 and 803R on page 43 of the Pac-Dent 2013 Product Catalog.

35. On information and belief, Jordco began the trademarked use of the color blue for endodontic organizers before Defendants began the use as a trademark of the color blue for endodontic organizers.

36. Jordco has never authorized the Defendants to use the color blue as applied to Defendants' endodontic organizer apparatus.

FIRST CAUSE OF ACTION – INFRINGEMENT OF THE '734 PATENT

37. The allegations of the preceding paragraphs are hereby incorporated by reference in this section as though set forth fully herein.

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38. On information and belief, Pac-Dent has infringed and is infringing the '734 patent by making, using, offering to sell, selling, and/or importing into the United States products that infringe claims of the '734 patent.

39. On information and belief, Pac-Dent has contributed to and/or actively induced infringement of the '734 patent and continues to do so by making, using, offering to sell, selling, and/or importing into the United States products that infringe claims of the '734 patent.

40. For example, on information and belief, at least Pac-Dent products listed under reference numbers 802, 803TY, 803, 803T, 803Y, 803L, and 804 on page 43 of the Pac-Dent 2013 Product Catalog, and under reference numbers 811, 812, and 813 on page 44 of the Pac-Dent 2013 Product Catalog (collectively, the "Catalog Products") infringe claims of the '734 patent. A copy of excerpts from the Pac-Dent 2013 Product Catalog is attached as Exhibit F.

41. On information and belief, infringement by Pac-Dent has been and continues to be willful, with knowledge of the '734 patent and Pac-Dent's infringement thereof, entitling plaintiff to increased damages under 35 U.S.C. § 284 and to attorneys' fees incurred in prosecuting this action under 35 U.S.C. § 285.

42. On information and belief, infringement by Pac-Dent will continue unless enjoined by this court.

43. On information and belief, Jordco has suffered, and will continue to suffer, substantial damages in an amount to be proven at trial, through lost profits, lost sales and/or lost royalties, due to infringement of the '734 patent by Pac-Dent.

44. On information and belief, Jordco has suffered, and will continue to suffer, permanent and irreparable injury, for which Jordco has no adequate remedy at law.

45. Jordco is entitled to relief as provided by 35 U.S.C. §§ 281, 283, 284, and 285.

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<u>SECOND CAUSE OF ACTION – VIOLATIONS OF THE LANHAM ACT: TRADEMARK</u> INFRINGEMENT, UNFAIR COMPETITION, AND FALSE DESIGNATION OF ORIGIN

46. The allegations of the preceding paragraphs are hereby incorporated by reference in this section as though set forth fully herein.

47. Jordco has used and continues to use as trademarks in Oregon, and throughout the United States in U.S. commerce, the color yellow for endodontic foam and packaging and the color blue for endodontic foam and endodontic organizers.

48. Jordco's trademarked use of the color yellow for endodontic foam and packaging and of the color blue for endodontic foam and endodontic organizers are distinctive in connection with those goods bearing those marks.

49. The distinctiveness of Jordco's trademarked use of the color blue for endodontic foam cushions is incontestable as defined under Section 15 of the Trademark Act.

50. Pac-Dent has no license or authority from Jordco permitting the use of the color yellow for endodontic foam and packaging, the color blue for endodontic foam, or the color blue for endodontic organizers.

51. Notwithstanding Jordco's established rights, upon information and belief, Pac-Dent adopted and used the confusingly similar color marks in interstate commerce in connection with the sale and offering for sale of endodontic foam and endodontic organizers.

52. On information and belief, Pac-Dent promotes its goods in some of the same or similar channels, and to some of the same or similar consumers as does Jordco.

53. Without Jordco's consent, on information and belief, Pac-Dent has used as trademarks the colors yellow and blue in connection with the sale, offering for sale, distribution, or advertising of Pac Dent's goods.

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54. On information and belief, Pac-Dent has engaged in this infringing activity despite having actual knowledge of Jordco's trademark use of and rights in the colors yellow and blue.

55. On information and belief, Pac-Dent's actions are likely to lead the public to conclude incorrectly that Pac Dent's goods originate with or are authorized by Jordco, which will damage both Jordco and the public.

56. On information and belief, Pac-Dent's actions are intended to enrich Pac-Dent.

57. On information and belief, Pac-Dent has advertised and offered its goods for sale using the colors yellow and blue with the intention of misleading, deceiving, or confusing consumers as to the origin of its goods and of trading on Jordco's reputation and goodwill.

58. On information and belief, Pac-Dent has engaged and continues to engage in use as trademarks of the colors yellow and blue to market and sell related and competing goods to many of the same consumer markets as served by Jordco.

59. On information and belief, Pac-Dent's activities are likely to cause confusion and have caused confusion among Jordco's customers and potential customers.

60. On information and belief, Pac-Dent's use as trademarks of the colors yellow and blue in connection with the sale, offering for sale, distribution, and advertising of goods in U.S. commerce is likely to cause confusion, mistake, or deception.

61. On information and belief, Pac-Dent's use as a trademark of the color yellow for endodontic foam is confusingly similar to Jordco's trademarked use of the color yellow for endodontic foam.

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62. On information and belief, Pac-Dent's use as a trademark of the color yellow for endodontic foam and packaging of endodontic foam is confusingly similar to Jordco's trademarked use of the color yellow for packaging of endodontic foam.

63. On information and belief, Pac-Dent's use as a trademark of the color blue for endodontic foam cushions is confusingly similar to Jordco's trademarked use of the color blue for endodontic foam cushions.

64. On information and belief, Pac-Dent's use as a trademark of the color blue for endodontic organizers is confusingly similar to Jordco's trademarked use of the color blue for endodontic organizers.

65. On information and belief, Pac-Dent's unauthorized use as trademarks of the colors yellow and blue in interstate commerce as described above constitutes trademark infringement and unfair competition under 15 U.S.C. §§ 1114(1) and 1125(a) and is likely to cause consumer confusion, mistake, or deception.

66. On information and belief, Pac-Dent's unauthorized marketing and sale of its goods in interstate commerce using the yellow and blue color marks constitutes a false designation of origin or false representation that wrongfully and falsely designates Pac-Dent's goods as originating from or connected with Jordco, and constitutes the use of false descriptions or representations in interstate commerce in violation of 15 U.S.C. § 1125(a).

67. On information and belief, as a direct and proximate result of Pac-Dent's trademark infringement and acts of unfair competition, Jordco has suffered irreparable harm to its business and reputation, and also has suffered and continues to suffer damages in an amount to be determined by the trier of fact.

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68. On information and belief, as a direct and proximate result of Pac-Dent's trademark infringement and acts of unfair competition, Pac-Dent has unjustly profited from those acts.

69. On information and belief, Pac-Dent's trademark infringement and acts of unfair competition will cause further irreparable injury to Jordco if Pac-Dent is not restrained by this Court from further violation of Jordco's rights.

70. On information and belief, Pac-Dent's activities are deliberate and willful.

71. On information and belief, Jordco has no adequate remedy at law.

72. On information and belief, the goodwill and reputation for quality that Jordco has worked hard and long to cultivate has been threatened by Pac-Dent's actions.

73. On information and belief, unless Pac-Dent is enjoined from the use of the colors yellow and blue on the accused and other products, such use will continue to cause consumer confusion and will continue to cause irreparable harm to Jordco and the public.

<u>THIRD CAUSE OF ACTION – COMMON LAW TRADEMARK INFRINGEMENT</u> <u>AND UNFAIR COMPETITION</u>

74. The allegations of the preceding paragraphs are hereby incorporated by reference in this section as though set forth fully herein.

75. On information and belief, Pac-Dent's use of the colors yellow and blue for Pac Dent's goods constitutes infringement of Jordco's common law rights in the trademarked use of the colors yellow and blue under the laws of Oregon and other States.

76. On information and belief, Pac-Dent's use as trademarks of the colors yellow and blue for Pac Dent's goods constitutes unfair competition under the laws of Oregon and other States.

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PRAYER FOR RELIEF

In view of the foregoing, Plaintiff Jordco prays for judgment as follows:

First Cause of Action

A. That Pac-Dent has infringed, and is infringing, the '734 patent in violation of 35 U.S.C. § 271,

B. That Pac-Dent's infringement of the '734 patent is willful,

C. That Pac-Dent be preliminarily and permanently enjoined against all acts of infringement of the '734 patent pursuant to 35 U.S.C. § 283,

D. That Pac-Dent be required to file with this Court, within thirty (30) days after entry of final judgment, a written statement under oath setting forth in detail the manner in which Pac-Dent has complied with the injunction of paragraph C,

E. That Pac-Dent be required to deliver to Jordco for destruction any and all articles in its possession and/or under its control that infringe the '734 patent, including, but not limited to, the Catalog Products,

F. That Pac-Dent be ordered to pay Jordco the damages that Jordco has suffered due to infringement of the '734 patent by Pac-Dent, together with interest thereon and costs pursuant to 35 U.S.C. § 284, including profits lost by plaintiffs as a result of infringement of the '734 patent; in any event Jordco shall be awarded no less than a reasonable royalty for the unauthorized sale of the patented inventions by Pac-Dent, and

G. That this case be declared exceptional pursuant to 35 U.S.C. § 285, and that Jordco be awarded trebled damages and reasonable attorneys' fees; and

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Second and Third Causes of Action

H. That Jordco's yellow and blue color marks have been and continue to be infringed by Pac-Dent in violation of 15 U.S.C. §§ 1114(1) and 1125(a),

I. That Pac-Dent's use of the yellow and blue color marks constitute unfair competition and a false designation of origin in violation of 15 U.S.C. § 1125(a),

J. That Pac-Dent's use of the yellow and blue color marks violates Oregon common law regarding trademark infringement and unfair competition,

K. That, pursuant to Rule 65 of the Federal Rules of Civil Procedure and 15 U.S.C. § 1116, Pac-Dent, its officers, agents, servants, employees, attorneys, successors, and/or assigns, and all other persons in active concert or participation with any of them be preliminarily and permanently enjoined from (1) using the colors yellow and blue in connection with endodontic foam and endodontic organizers, and (2) continuing any and all acts of unfair competition as herein alleged,

L. That Pac-Dent be ordered pursuant to Rule 65 of the Federal Rules of Civil Procedure and 15 U.S.C. § 1118, to recall from all retailers and distributors and to deliver up for impounding all goods or materials improperly bearing the yellow and/or blue color marks,

M. That Pac-Dent be required to file with this Court, within thirty (30) days after entry of final judgment, a written statement under oath setting forth in detail the manner in which Pac-Dent has complied with any injunction,

N. That, pursuant to 15 U.S.C. § 1119, the Director of the U.S. Patent and Trademark Office be enjoined from issuing to Pac-Dent any registration for the yellow and blue color marks that would create a likelihood of confusion, mistake, or deception with Jordco's marks,

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O. That, pursuant to 15 U.S.C. § 1117, Jordco be awarded up to three times Pac-Dent's profits or Jordco's damages, in an amount to be determined at trial, together with prejudgment interest,

P. That Jordco be awarded its damages pursuant to the common law,

Q. That this be declared an "exceptional case" under Section 35(a) of the Lanham Act, 15 U.S.C. § 1117, and that Jordco be awarded its reasonable attorneys' fees and full costs, and

R. That Jordco be awarded any other remedy to which it may be entitled pursuant to the Lanham Act and Oregon statutory and common law; and

S. That, in any event, Jordco be awarded such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff Jordco, Inc. hereby demands a trial by jury.

DATED this 4th day of September, 2013.

Respectfully submitted,

KOLISCH HARTWELL, P.C.

By <u>s/ Thomas J. Romano</u> THOMAS J. ROMANO, OSB No. 053661 E-mail: tromano@khpatent.com 520 S.W. Yamhill Street, Suite 200 Portland, Oregon 97204 Telephone: (503) 224-6655 Facsimile: (503) 295-6679 Of Attorneys for Plaintiff

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