

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Northern Division)

Civil Action No. 1:14-cv-1158

COMPLAINT AND DEMAND FOR JURY TRIAL

Plaintiff, LWRC International, LLC, by counsel, files this complaint against defendants, F&D Defense LLC and Corby V. Hall, and alleges as follows:

1. This is an action for patent infringement under 35 U.S.C. § 1, *et seq.*

PARTIES

2. Plaintiff, LWRC International, LLC (“LWRCI”), is a Maryland limited liability company with its principal place of business in Cambridge, Maryland.

3. Defendant, F&D Defense LLC (“F&D”), is a Texas limited liability company with its principal place of business in New Braunfels, Texas.

4. Defendant, Corby V. Hall (“Hall”), is a Texas citizen located in New Braunfels, Texas.

JURISDICTION AND VENUE

5. This action arises under the patent laws of the United States, 35 U.S.C. § 1, *et seq.* Subject matter jurisdiction exists pursuant to 28 U.S.C. §§ 1331 and 1338(a).

6. Personal jurisdiction over the defendants is proper in this District. Defendants prepared and filed lawsuits against LWRCI, a Maryland limited liability company with its principal place of business in this District, which constitutes purposefully directed activities at a citizen of this state. Defendants have also promoted their business and accused products by posting on LWRCI's interactive forum, which is located in Maryland. LWRCI also purchased in Maryland an F&D product that is the subject of this suit, the FD308 rifle.

7. Venue exists in this District pursuant to 28 U.S.C. §§ 1391(b) and(c) and 1400(b).

FACTS

8. Formed in late 2007, LWRCI is headquartered in Cambridge, Maryland and employs in excess of 100 people on Maryland's Eastern Shore. Its manufacturing capability includes state-of-the-art manufacturing and other equipment. LWRCI is registered with Lloyd's Quality Registrar for ISO-9001 International Standards compliance for Configuration Management. LWRCI's management team have more than 100 years of combined experience in managing high performance defense companies. Its engineering team consists of dedicated professionals who have been nationally recognized in both the firearms and defense communities for the development of LWRCI's patented self-regulating short-stroke, gas-piston system. *See, e.g.,* <https://www.lwrci.com>, incorporated by reference.

9. Among other products that LWRCI manufactures and sells is the Rapid Engagement Precision Rifle ("R.E.P.R."), a full spectrum weapon system designed to put 7.62mm NATO rounds on target in a variety of roles. The R.E.P.R. rifle allows a marksman to perform assaulter duty with the 16" barreled upper installed, and quickly switch to a sniper role

simply by changing to the 20” barreled upper. The extra upper receiver assembly can be carried in a backpack and takes up less room and weighs less than carrying a separate rifle. The R.E.P.R. rifle utilizes LWRCI’s patented self-regulating, short-stroke gas-piston operating system, ensuring unparalleled reliability in the harshest theaters of operation. A side-mounted charging handle allows the shooter to perform reloads without removing their eyes from the target, and prevents any gas blowback to the face when using a suppressor. The ARM-R rails are easily removable and reinstalled with a hex key and provide a 100% return to zero for optics and lasers. A review in Shotgun News stated that “[t]hese Maryland-made rifles have established an excellent reputation for quality....” See <https://www.lwrci.com/articles/SGNLWRC030113.pdf>, incorporated by reference.

10. LWRCI is the owner by assignment of several U.S. patents and patent applications, including U.S. Patent No. 8,342,075, entitled “Receiver For An Autoloading Firearm”, with the sole named inventor being Jesus S. Gomez, issued on January 1, 2013 (“the ‘075 patent”), a true and correct copy of which is annexed as Exhibit 1.

11. F&D purports to manufacture, offer for sale and sell tactical rifles in interstate commerce. F&D registered as a Texas limited liability company on or about December 13, 2011.

12. Hall is the sole member of F&D and owns and controls the company. In addition, Hall previously did business in his own name or through an unincorporated sole proprietorship using the name F&D Defense.

13. As part of its business, F&D advertises, markets, and provides information to its customers, potential customers, and the market regarding its products and the products of its purported competitor, LWRCI, including through use of a website, <http://www.fd-defense.com>.

14. F&D purports to be and is a competitor of LWRCI. *See, e.g.*, <http://fd-defense.com/index.php/design/fd-separation>, incorporated by reference.

15. F&D and Hall make, use, offer for sale and sell rifles, one of which is known as the FD308 (the “accused product”). A description of the accused product is included on F&D’s website, www.fd-defense.com, incorporated by reference. The following is a photograph of the rifle from the same website:



16. LWRCI purchased an accused product. True and correct photographs of certain components of the accused product are attached as Exhibit 2. Exhibit 3 is a true and correct copy of excerpts of F&D’s Operator’s Manual, available at <http://www.fd-defense.com/images/pdf/FD%20User%20Manual.pdf>, which shows certain components of the accused product.

COUNT I
(Patent Infringement by Defendants — 35 U.S.C. § 271)

17. The foregoing allegations of the complaint are incorporated by reference.

18. Defendants have and continue to infringe directly, indirectly, contributorily, and/or by inducement, literally or under the doctrine of equivalents, the claims of the ‘075 patent by making, using, offering to sell, and/or selling products in this District and throughout the United States.

19. Defendants' acts of infringement will continue unless enjoined by this Court.

20. Defendants' acts of infringement have caused and will continue to cause LWRCI substantial and irreparable injury for which LWRCI is entitled to receive injunctive relief and damages adequate to compensate it for such infringement.

21. Defendants have been and are on notice of their infringement of the '075 patent and have continued to engage in such infringing activity.

22. Defendants' acts of infringement have been willful and deliberate, rendering this case "exceptional" within the meaning of 35 U.S.C. § 285.

DEMAND FOR RELIEF

WHEREFORE, LWRCI requests this Court to enter judgment in its favor and against defendants, awarding it the following relief:

- a. Preliminarily and permanently enjoining defendants, their officers, agents, servants, employees, and any others acting in concert with them from infringing the '075 patent;
- b. Awarding LWRCI damages resulting from defendants' acts of infringement and ordering defendants to account for and pay to LWRCI damages adequate to compensate LWRCI for the infringement of its patent rights, including not less than a reasonable royalty;
- c. As a result of defendants' willful acts of infringement, awarding LWRCI treble damages pursuant to 35 U.S.C. § 284;
- d. Declaring this case exceptional pursuant to 35 U.S.C. § 285 and awarding LWRCI interest, costs, expenses and attorneys' fees; and
- e. Granting LWRCI such other relief as the Court deems just and proper.

JURY DEMAND

LWRCI hereby demands trial by jury as to all issues in this action triable of right by a jury.

Dated: April 10, 2014

Respectfully submitted,

/s/ Richard J. Oparil

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