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Attorneys for Plaintiff Simon Nicholas Richmond

IN THE UNITED STATES DISTRICT COURT FOR DISTRICT OF NEW JERSEY

SIMON NICHOLAS RICHMOND,)
Plaintiff,))
v.) Civil Action No.
FOREVER GIFTS, INC. (CHINA)) <u>MLC-DEA</u>
Defendant.)

SEVERED FIRST AMENDED COMPLAINT AND JURY DEMAND

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Plaintiff Simon Nicholas Richmond ("Richmond" or "Plaintiff"), for his claims against Defendant Forever Gifts, Inc. (China), ("Forever Gifts China" or "Defendant") makes and files this Complaint and alleges as follows:

1. STATEMENT OF RELATED CASES AND PRIOR PROCEEDINGS

This case is related to *Simon Nicholas Richmond v. Quanzhou Bright Solar Energy Co. Ltd., et al.*, 13-cv-1949 (MLC-DEA), and alleges infringement of the same United States Patents that are at issue in the aforementioned case, i.e., United States Patent Nos. 7,196,477; 7,429,827; 8,362,700; and, 8,089,370. This case is further related to case docket nos. 13-cv-1944 (MLC-DEA), 13-cv-1949 (MLC-DEA), 13-cv-1950 (MLC-DEA), 13-cv-1951 (MLC-DEA), 13-cv-1952 (MLC-DEA), 13-cv-1953 (MLC-DEA), 13-cv-1954 (MLC-DEA), 13-cv-1957 (MLC-DEA), 13-cv-1959 (MLC-DEA), 13-cv-1960 (MLC-DEA), 13-cv-2916 (MLC-DEA), all of which have been consolidated with *Simon Nicholas Richmond v. Lumisol, et al.*, 13-cv-1944 (MLC-DEA).

The allegations contained in this Complaint against Defendant were originally filed in *Simon Nicholas Richmond v. Quanzhou Bright Solar Energy Co. Ltd., et al.*, 13-cv-1949 (MLC-DEA). In an Order dated July 3, 2014, the claims against Defendant Forever Gifts China were severed, and Plaintiff was ordered to file a severed complaint against each individual defendant in Case No. 13-cv-1949 (MLC-DEA) by August 1, 2014. (Case No. 13-cv-1944, Dkt. 122, p.10).

2. THE PARTIES

A. Plaintiff Richmond.

1. Plaintiff Richmond is an individual and a resident of New Jersey.

B. Defendant.

2. Forever Gifts, Inc. (China) (Forever Gifts China) is a corporation organized and existing under the laws of China, having a principal place of business at ZhiBen Building, FuMing Road, Futian District, Shenzhen, China. Forever Gifts China may be served through its agent for service of process at pursuant to the Hague convention.

Service of the prior Original and First Amended Complaints in Case
 No. 13-cv-1949 (MLC-DEA) was properly effectuated on Defendant.

3. SUBJECT MATTER JURISDICTION

4. This is an action for patent infringement arising under the patent laws of the United States, Title 35, United States Code, including 35 U.S.C. §§ 271 and 281-285. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331

and 1338(a).

4. PERSONAL JURISDICTION AND VENUE

A. General.

5. Personal jurisdiction over Defendant is proper pursuant to New Jersey Long-Arm Statute, N.J. CT. R. 4:4-4 and principles of due process.

6. Forever Gifts China has sufficient minimum contacts with New Jersey and this district and the maintenance of this suit does not offend traditional notions of fair play and substantial justice.

B. Specific Jurisdiction.

7. Personal jurisdiction over Defendant is proper under principles of specific jurisdiction.

8. Upon information and belief, Defendant has transacted and solicited business in New Jersey and in this district related to the subject matter of the claims alleged herein and, upon information and belief, has committed direct infringement in this state and district by importing, exposing for sale, offering to sell and/or selling goods infringing one or more of the Patents-in-Suit, to customer(s) in this state.

9. Upon information and belief, Defendant has transacted and solicited

business in New Jersey related to the subject matter of the claims alleged herein and, upon information and belief, has committed acts of direct infringement in the United States and/or has knowingly acted with an intent to induce infringement by others, as detailed below.

10. Upon information and belief, Defendant has knowingly induced infringement in the United States, and New Jersey, of its customer(s) by offering to sell and/or selling goods that infringe one or more of the Patents-in-Suit (as detailed in the Counts below), with specific knowledge of Plaintiff's applicable patent(s), and with a specific intent and/or willful blindness to the fact that their infringing products will be imported into and offered for sale, sold and/or used in the United States, and New Jersey, by their customers.

11. The infringement by Defendant that is the subject of the claims alleged has caused Plaintiff to suffer damages and other losses in New Jersey and this district, a result that was reasonably foreseeable to Defendant at the time Defendant committed its misconduct.

C. General Jurisdiction.

12. Personal jurisdiction over Defendant is also proper under principles of general jurisdiction in that each United States Defendant either resides in this state

and district and/or has regularly and purposefully conducted business in New Jersey and this district.

13. Personal jurisdiction over the Defendant is also proper under principles of general jurisdiction in that, upon information and belief, Defendant has regularly and purposefully conducted business in the United States, and pursuant to 28 U.S.C. § 1391 (c)(3), an alien may be sued in any judicial district.

D. Venue.

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

15. Venue also properly lies in this district under 28 U.S.C. § 1391(b)(2) and/or (3) because, upon information and belief, either a substantial part of the events or omissions giving rise to the claims recited below occurred in this district, or a substantial part of the property that is the subject of the action is in this district, or because there is no district in which the action may otherwise be brought as provided in 28 U.S.C. § 1391, and this court has personal jurisdiction over Defendant.

16. Venue also properly lies in this district over Defendant pursuant to 28U.S.C. § 1391(c)(3) in that an alien may be sued in any judicial district.

5. FACTUAL BACKGROUND

A. Plaintiff's Patents-in-Suit

17. For many years, Richmond has engaged in the development, manufacture, and sale of solar-powered garden lighting. Richmond has taken steps to protect his innovative inventions and designs. In particular, Richmond owns United States utility and design patents relating to his solar-powered garden lights.

18. Richmond is the inventor and owner of all right, title, and interest to the United States patent number 7,196,477 A1, entitled "Solar Powered Light Assembly to Produce Light of Varying Colors," ("477 Color-Changing Patent"), which duly and legally issued to Richmond on 3/27/2007.

19. Richmond is the inventor and owner of all right, title, and interest to the United States patent number 7,429,827 A1, entitled "Solar Powered Light Assembly to Produce Light of Varying Colors," ("'827 Color-Changing Patent"), which duly and legally issued to Richmond on 9/30/2008.

20. Richmond is the inventor and owner of all right, title, and interest to the United States patent number 8,362,700 A1, entitled "Solar Powered Light Assembly to Produce Light of Varying Colors," ("700 Color-Changing Patent"), which duly and legally issued to Richmond on 1/29/2013.

21. Richmond is the inventor and owner of all right, title, and interest to the United States patent number 8,089,370 A1, entitled "Illuminated Wind Indicator," ("'370 Framed Patent"), which duly and legally issued to Richmond on 1/3/2012.

22. Plaintiff's '477 Patent is valid and enforceable.

23. Plaintiff's '827 Patent is valid and enforceable.

24. Plaintiff's '700 Patent is valid and enforceable.

25. Plaintiff's '370 Patent is valid and enforceable.

26. On November 3, 2011, United States Patent Publication No. US

2011/0266953 A1 (the "'953 Published Application") was published. A copy of the '953 Published Application may be obtained for free from the official United States Patent and Trademark website, uspto.gov. The invention as claimed in the '700 Patent is substantially identical to the invention as claimed in the '953 Published Application.

27. On November 3, 2009, United States Patent Publication No. US 2009/0322495 A1 (the "'495 Published Framed Application") was published. A copy of the '495 Published Framed Application may be obtained for free from the official United States Patent and Trademark website, uspto.gov. The invention as

claimed in the '370 Patent is substantially identical to the invention as claimed in the '495 Published Application.

28. Richmond continues to engage in the development and sale of solarpowered garden lighting and continues to take steps to protect his innovative inventions and designs and in this regard has applied for additional patent protection for his inventions. For example, on March 29, 2012, United States Patent Publication No. US 2012/0075104 A1 (the "'104 Published Application") was published, and on April 5, 2012, United States Patent Publication No. US 2012/0081888 A1 (the "'888 Published Application") was published. Copies of the '104 and '888 Published Applications may be obtained for free from the official United States Patent and Trademark website, uspto.gov.

29. At all times relevant to this action, Richmond has complied with any notice provisions of 35 U.S.C. § 287 as they may relate to the Patents-in-Suit.

B. Facts relevant to Defendant

30. Defendant has imported, sold, exposed for sale or offered for sale accused solar lighting products to at-least to one or more of the named defendants in the cases consolidated under Case No. 13-cv-1944 (D.N.J.).

31. Defendant has imported, sold, exposed for sale or offered for sale

accused solar lighting products to customers located in the United States that are not named defendants in the cases consolidated under Case No. 13-cv-1944 (D.N.J.).

32. Since issuance of one or more of the foregoing Richmond patents,Defendant has or has been importing, exposing for sale, offering for sale, or selling the following products:

- a) Solar Pathway Light with Crackle Glass Sphere (Model: S110300102-A)
- b) Four Seasons Courtyard Lilac Mosaic Sphere Stake Light (S120901314-L)
- c) Solar Mini Crackle Ball Path Light

33. In addition to the products identified in the preceding paragraph, Defendant has or has been importing, exposing for sale, offering for sale, and selling the solar lighting products identified in Exhibit A.

6. INFRINGEMENT OF PLAINTIFF'S PATENTS

Count 1 – Forever Gifts China's Direct Infringement of '477 Patent

34. The allegations of Paragraphs 1-33 are incorporated by reference as if fully set forth again herein.

35. Forever Gifts China has notice of Plaintiff's rights in the '477 Patent.

36. Upon information and belief, Forever Gifts China directly infringes, and has infringed, Plaintiff's '477 Color-Changing Patent by, at-least, importing, exposing for sale, offering to sell, and selling one or more solar-powered garden light products that infringe '477 Patent. Upon information and belief, those solarpowered garden lights include, at least, the following products:

- a) Solar Pathway Light with Crackle Glass Sphere (Model: S110300102-A)
- b) Four Seasons Courtyard Lilac Mosaic Sphere Stake Light (S120901314-L).

37. The attached "Preliminary Product List - Forever Gifts China, attached as Exhibit A, contains a non-comprehensive list of products that, upon information and belief, are believed to constitute infringement of Richmond's patents, where a "Y" under the column labeled '477 Patent indicates that the product identified in the corresponding row is believed to be an infringement of Plaintiff's '477 Color-Changing Patent.

38. Upon information and belief, Forever Gifts China has and is importing, exposing for sale, offering to sell, and selling other solar-powered

garden light products which infringe Plaintiff's '477 Color-Changing Patent and will continue to do so unless restrained by this Court.

Count 2 – Forever Gifts China's Direct Infringement of '827 Patent

39. The allegations of Paragraphs 1-38 are incorporated by reference as if fully set forth again herein.

40. Forever Gifts China has notice of Plaintiff's rights in the '827 Patent.

41. Upon information and belief, Forever Gifts China directly infringes, and has infringed, Plaintiff's '827 Color-Changing Patent by, at-least, importing, exposing for sale, offering to sell, and selling one or more solar-powered garden light products that infringe the '827 Patent. Upon information and belief, those solar-powered garden lights include, at least, the following products:

- a) Solar Pathway Light with Crackle Glass Sphere (Model: S110300102-A)
- b) Four Seasons Courtyard Lilac Mosaic Sphere Stake Light (S120901314-L)
- c) Solar Mini Crackle Ball Path Light.

42. The attached "Preliminary Product List - Forever Gifts China, attached as Exhibit A, contains a non-comprehensive list of products that, upon information and belief, are believed to constitute infringement of Richmond's patents, where a "Y" under the column labeled '827 Patent indicates that the product identified in the corresponding row is believed to be an infringement of Plaintiff's '827 Color-Changing Patent.

43. Upon information and belief, Forever Gifts China has and is importing, exposing for sale, offering to sell, and selling other solar-powered garden light products which infringe Plaintiff's '827 Color-Changing Patent and will continue to do so unless restrained by this Court.

Count 3 – Forever Gifts China's Direct Infringement of '700 Patent

44. The allegations of Paragraphs 1-43 are incorporated by reference as if fully set forth again herein.

45. Forever Gifts China has notice of Plaintiff's rights in the '700 Patent.

46. Upon information and belief, Forever Gifts China directly infringes, and has infringed, Plaintiff's '700 Color-Changing Patent by, at-least, importing, exposing for sale, offering to sell, and selling one or more solar-powered garden light products that infringe the '700 Patent. Upon information and belief, those solar-powered garden lights include, at least, the following products:

a) Solar Pathway Light with Crackle Glass Sphere (Model:

S110300102-A)

- b) Four Seasons Courtyard Lilac Mosaic Sphere Stake Light (S120901314-L)
- c) Solar Mini Crackle Ball Path Light.

47. The attached "Preliminary Product List - Forever Gifts China, attached as Exhibit A, contains a non-comprehensive list of products that, upon information and belief, are believed to constitute infringement of Richmond's patents, where a "Y" under the column labeled 'indicates that the product identified in the corresponding row is believed to be an infringement of Plaintiff's '700 Color-Changing Patent.

48. Upon information and belief, Forever Gifts China has and is importing, exposing for sale, offering to sell, and selling other solar-powered garden light products which infringe Plaintiff's '700 Color-Changing Patent and will continue to do so unless restrained by this Court.

Count 4 – Forever Gifts China's Direct Infringement of '370 Patent

49. The allegations of Paragraphs 1-48 are incorporated by reference as if fully set forth again herein.

50. Forever Gifts China has notice of Plaintiff's rights in the '370 Patent.

51. Upon information and belief, Forever Gifts China directly infringes, and has infringed, Plaintiff's '370 Framed Patent by, at-least, importing, exposing for sale, offering to sell, and selling one or more solar-powered garden light products that infringe the '370 Patent.

52. The attached "Preliminary Product List - Forever Gifts China, attached as Exhibit A, contains a non-comprehensive list of products that, upon information and belief, are believed to constitute infringement of Richmond's patents, where a "Y" under the column labeled '370 Patent indicates that the product identified in the corresponding row is believed to be an infringement of Plaintiff's '370 Framed Patent.

53. Upon information and belief, Forever Gifts China has and is importing, exposing for sale, offering to sell, and selling other solar-powered garden light products which infringe Plaintiff's '370 Framed Patent and will continue to do so unless restrained by this Court.

Count 5 – Forever Gifts China's Inducement of Forever Gifts, Inc. (Texas), Menard, Inc., True Value Co., Walgreen Co., and Kmart Corporation's Infringement

54. The allegations of Paragraphs 1-53 are incorporated by reference as if fully set forth again herein.

55. Upon information and belief, Forever Gifts China has had actual knowledge of Plaintiff's 7,196,477; 7,429,827; 8,362,700; and, 8,089,370 Patents, and knowledge that its solar-powered garden lights as accused of infringement earlier in this Complaint ("Accused Infringing Products") would infringe Plaintiff's 7,196,477; 7,429,827; 8,362,700; and, 8,089,370 Patents if imported into, offered for sale or sold in the United States. Forever Gifts China has had such knowledge of Plaintiff's Patents, as alleged in this Complaint and no later than on or about 5/7/2013, by means of service of the First Amended Complaint on Forever Gifts China.

56. Forever Gifts China has an ongoing, intentional relationship with its customers, including at least Forever Gifts, Inc. (Texas), Menard, Inc., True Value Co., Walgreen Co., and Kmart Corporation, with the clear aim of inducing their nationwide distribution and sale in the United States. Upon information and belief, the quantity of purchase would indicate to Forever Gifts China that its products would be shipped to all of its customers' retail stores, including Forever Gifts, Inc. (Texas), Menard, Inc., True Value Co., Walgreen Co., and Kmart Corporation's New Jersey stores, in accordance with Forever Gifts, Inc. (Texas), Menard, Inc., True Value Co., and Kmart Corporation's customary practice,

something that is well known to Forever Gifts China. Upon information and belief, Forever Gifts China follows a similar practice with its other customers having retail stores in the United States. As such, Forever Gifts China knew and intended, or was willfully blind to the fact that its Accused Infringing Products would be imported into the United States, and then offered for sale and sold by its customers in the United States, including in New Jersey.

57. Based upon the foregoing facts, and reasonable inferences therefrom, upon information and belief, Forever Gifts China has, with knowledge of Plaintiff's 7,196,477; 7,429,827; 8,362,700; and, 8,089,370 Patents and specific intent to infringe, and/or willful blindness to the infringement, actively induced and is inducing infringement of Plaintiff's 7,196,477; 7,429,827; 8,362,700; and, 8,089,370 Patents by the direct infringement of its customers in the United States, including but not limited to, Forever Gifts, Inc. (Texas), Menard, Inc., True Value Co., Walgreen Co., and Kmart Corporation, and will continue to do so unless restrained by this Court.

Count 6 – Willfulness of Forever Gifts China's Infringement

58. As a result of Richmond's activities, Defendants Forever Gifts China is believed to have long had knowledge of at least Plaintiff's '477, '827 and '700

Color Changing Patents and that one or more of their products infringe one or more claims of those patents, since prior to the filing of the Original Complaint and Amended Complaint in the 13-cv-1949 case. As such, Forever Gifts China's infringement of Plaintiff's '477, '827 and '700 Color Changing Patents is deliberate and willful.

59. The allegations and factual contentions set forth in this paragraph are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery. See Fed. R. Civ. P. 11(b)(3).

7. PLAINTIFF'S DAMAGES AND IRREPARABLE HARM

60. Plaintiff has been damaged as a result of Defendant's infringing activities and will continue to be damaged unless such activities are enjoined by this Court. Pursuant to 35 U.S.C. § 284, Plaintiff is entitled to damages adequate to compensate for the infringement of Plaintiff's Patents, including, *inter alia*, lost profits and/or a reasonable royalty.

61. Plaintiff will be irreparably harmed if Defendant's patent infringement continues. Plaintiff relies upon his patents for protection of his business' intellectual property and the rampant infringement of his patents by Defendant robs Plaintiff's business of its intellectual assets and denies Plaintiff the exclusivity in

the marketplace for offering and selling his products to which he is entitled under the Patent Laws. This seriously damages Plaintiff in a manner that cannot be adequately compensated by money alone. Plaintiff is entitled to a permanent injunction prohibiting Defendant, its directors, officers, employees, agents, parents, subsidiaries, affiliates, and anyone else in active concert or participation with them, from taking any other actions that would infringe Plaintiff's Patents.

8. RIGHT TO ROYALTIES FOR VIOLATION OF PROVISIONAL RIGHTS IN THE '700 PATENT

62. On information and belief, Defendant **Forever Gifts China** had actual notice of **the '953 Published Application**, which matured into the **'700 Patent**, including its specification and claims.

63. On information and belief, pursuant to 35 U.S.C. § 154(d), since having actual notice of **the '953 Published Application**, Defendant at least used the invention as claimed in one or more claims of the '953 Published Application and the later issued **'700 Patent**, by making, using, offering for sale, selling and/or importing into the United States one or more models of solar-powered garden lights, including the models identified in Exhibit A as infringing the **'700 Patent**.

64. As a result of violation of Plaintiff's provisional rights in the '953

Published Application by Defendant **Forever Gifts China**, Plaintiff is entitled to recover a reasonable royalty pursuant to 35 U.S.C. § 154(d)(1), in addition to Plaintiff's other rights provided by the Patent Statute.

9. JURY DEMAND

65. Plaintiff hereby demands a trial by jury, pursuant to Fed. R. Civ. Proc.38(b), for all issues so triable.

10. PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays that the court enter judgment granting Plaintiff the following relief:

a. Awarding Plaintiff his damages adequate to compensate for Defendant's infringement of Plaintiff's Patents, including, inter alia, lost profits and/or a reasonable royalty;

b. Awarding treble of the damages and/or reasonable royalty on account of the willful nature of the infringement, pursuant to 35 U.S.C. § 284;

c. Declaring this case to be exceptional under 35 U.S.C. §285 and awarding Plaintiff his attorneys' fees, costs and expenses related to bringing this action;

d. Enjoining Defendant from infringing Plaintiff's Patents; and

e. Awarding Plaintiff such further and other relief as the Court

deems just and equitable.

Respectfully submitted,

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