

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

EMSEAL JOINT SYSTEMS, LTD.

Plaintiff,

v.

MM SYSTEMS CORPORATION,

Defendant,

Civil Action No. 1:14-CV-14706-RWZ

JURY TRIAL DEMANDED

Pursuant to June 23, 2016 Court Order
Granting Motion to Amend (Dkt. #72)

FIRST AMENDED COMPLAINT

Plaintiff, EMSEAL Joint Systems, LTD. (hereinafter “EMSEAL” or “Plaintiff”), by and through its undersigned counsel, brings this Complaint for infringement of U.S. Patent No. 6,532,708 B1 (hereinafter “the ‘708 Patent as issued”, Exhibit A1) confirmed in part by Ex Parte Reexamination Certificate 6,532,708 C1 (Exhibit A2) which was confirmed in part by Ex Parte Reexamination Certificate 6,532,708 C2 (Exhibit A3) and are collectively referred to herein as the “‘708 Patent.” Plaintiff is seeking damages and injunctive relief arising under 35 U.S.C. § 1 et seq. against Defendant MM Systems Corporation (hereinafter “Defendant”).

PARTIES

1. Plaintiff is a Delaware corporation with a principal place of business at 25 Bridle Lane, Westborough, Massachusetts 01581. Plaintiff is the owner of the ‘708 Patent.

2. On information and belief, the named Defendant, MM Systems Corporation (“Defendant”) is a corporation organized under the laws of the State of Georgia, with a principal place of business at 50 MM Way, P.O. Box 98, Pendergrass, GA 30567.

JURISDICTION AND VENUE

3. This action arises under 35 U.S.C. §1 et seq. including 35 U.S.C. §§271, 281, 283, 284, and 285. Accordingly, this Court has subject matter jurisdiction over this action under 28 U.S.C. §§1331 and 1338.

4. This court has diversity jurisdiction over this action under 28 U.S.C. §1332 since the Plaintiff (Massachusetts) and the Defendant (Georgia) reside in different states and the matter in controversy exceeds the sum or value of \$75,000.

5. Defendant is subject to this Court’s subject matter jurisdiction under 28 U.S.C. §1400(b) since Defendant has committed acts of infringement and has a regular and established place of business in (Exhibit C) this District, in addition to having installers and certified contractors in Massachusetts (Exhibit C).

6. Defendant is subject to this Court’s personal jurisdiction since Defendant has been engaged in substantial and continuous business in this Judicial District. (Exhibit B).

7. Venue is proper under 28 U.S.C. §1391 since Defendant has been engaged in substantial and continuous business in this Judicial District. (Exhibit B)

FACTUAL BACKGROUND

A. The '708 Patent

8. On August 31, 2000, EMSEAL and/or its predecessor in interest filed an application with the United States Patent and Trademark Office (hereinafter the "USPTO") for a U.S. Patent, to which the USPTO assigned Application No. 09/654,932. In Application No. 09/654,932 EMSEAL claimed priority to Canadian Patent No. 2 296 228 which has a priority date of January 18, 2000. Application No. 09/654,932 ultimately issued as the 6,532,708 B1 patent on March 18, 2003.

9. On December 22, 2014, Plaintiff filed this action asserting, in part, infringement of the '708 Patent as issued.

10. On March 24, 2015, MM Systems filed a first Request for Reexamination of the '708 Patent as issued. MM Systems' Request for Reexamination was assigned Control No. 90/013,473 (the " '473 Proceeding"). On May 19, 2015, the USPTO granted MM Systems' Request for Reexamination in the '473 Proceeding.

11. On April 3, 2015, a second reexamination was requested by a non-party, Schul International, Inc. ("Schul"). The USPTO assigned the Schul Request Control No. 90/013,472 (the " '472 Proceeding"). On May 29, 2015, the USPTO granted Schul's Request for Reexamination in the '472 Proceeding.

12. On July 31, 2015, the USPTO merged the '472 and '473 Proceedings (hereinafter "the merged '472 and '473 Proceedings").

13. On January 19, 2016, MM Systems filed a second Request for Reexamination the '708 Patent as issued, which is a third request for reexamination of the '708 Patent as issued. The third Request for Reexamination was assigned Control No. 90/013,683 (" '683 Proceedings").

On February 25, 2016 the USPTO granted the third Request for Reexamination in the '683 Proceeding for reexamination of claims 4 to 8, as issued.

14. On March 23, 2016, in the merged '472 and '473 Proceedings, the USPTO issued the Ex Parte Reexamination Certificate 6,532,708 C1 (Exhibit A2) confirming claims 1-3, 7 and 8 of the Patent as issued, claims 4-6 as amended during the merged '472 and '473 Proceedings, and claims 9-28 newly presented during the merged '472 and '473 Proceedings.

15. On June 7, 2016, the Ex Parte Reexamination Certificate (Exhibit A3) for the '683 Proceeding was issued by the USPTO thereby confirming claims 1-3, 7 and 8 of the '708 Patent as issued, claims 4-6 as amended during the merged '472 and '473 Proceedings, and claims 9-28 newly presented during the merged '472 and '473 Proceedings.

16. No reexamination proceedings of the '708 Patent are pending. Maintenance fees for the '708 Patent are paid in full and the '708 Patent is in full force. The '708 Patent expires August 31, 2020.

17. The '708 Patent now has 28 claims including five independent claims (i.e., independent claims 1, 4, 6, 7 and 8) directed to various seismic/expansion joint seals and covers. True and correct copies of the '708 Patent are appended hereto as Exhibits A1, A2 and A3.

B. Previous Litigation

18. On January 21, 2009, Plaintiff filed a Complaint in the U.S. District Court of the District of Minnesota against MM Systems Corporation for infringement of the '708 Patent as issued. EMSEAL Joint Systems, Ltd., vs. MM Systems Corporation, (Case No. 0:09-cv-00137-ADMJJK, Doc. No. 1, hereinafter the 0:09 case, Exhibit D). Plaintiff voluntarily dismissed the Complaint without Prejudice. Case No. 0:09-cv-00137-ADMJJK, Doc. No. 4, Exhibit E).

C. Defendant's Infringing Products

19. Defendant's infringing products (hereinafter referred to as "Defendant's Infringing Products") include, but are not limited to: MM Systems SHD, SSD, SHS and DSS Expansion Joints. (Exhibit F).

20. Defendant manufactures, offers to sell, and sells Defendant's Infringing Products. (Exhibit G).

21. Defendant sells and installs and/or supports the installation of Defendant's Infringing Products through a network of factory trained & certified contractors. (Exhibit H).

22. Defendant retains representatives throughout the United States (e.g., Massachusetts) for sale, installation and/or support of Defendant's Infringing Products. (Exhibit C).

23. Defendant has sold its Expansion Joint Products in Massachusetts. (Exhibit B).

COUNT I

INFRINGEMENT OF THE '708 PATENT

24. Plaintiff repeats and realleges each and every allegation set forth in paragraphs 1-23 inclusive, and incorporates them herein by reference.

25. Pursuant to 35 U.S.C. §287, examples of notice include a letter dated October 1, 2014 to Defendant's attorney. (Exhibit I).

26. On information and belief, Defendant has and continues to, without license from EMSEAL, infringe the '708 Patent under 35 U.S.C. §271(a) by making, using, offering to sell and/or selling in the U.S. Defendant's Infringing Products directly to consumers and through a network of factory trained & certified contractors, under §271(b) by actively inducing infringement by the network of factory trained & certified contractors, and under §§271(c)

and/or (f) by offering to sell or selling, or by supplying or causing to be supplied, one or more components of Defendant's Infringing Products knowing such one or more components will be used in an infringement of the '708 Patent.

27. EMSEAL has analyzed Defendant's Infringing Products in view of independent claims 4 and 6 and demonstrated how Defendant's Infringing Products infringe each element of at least each independent claims 4 and 6 of the '708 Patent, and claims that depend therefrom, either literally or though the doctrine of equivalents.

28. As a direct and proximate consequence of the acts and practices of Defendant, EMSEAL has been, is being and, unless such acts and practices are enjoined by the Court, will continue to be injured in its business and property rights, and has suffered, is suffering and will continue to suffer injury and damages for which it is entitled to relief under 35 U.S.C. §284 adequate to compensate for such infringement, but in no case less than a reasonable royalty.

29. As a direct and proximate consequence of the acts and practices of Defendant, Defendant has also caused, is causing and, unless such acts and practices are enjoined by the Court, will continue to cause irreparable harm to EMSEAL for which it is entitled to preliminary and permanent injunctive relief under 35 U.S.C. §283.

30. Defendant's acts of infringement are intentional and willful and "exceptional" pursuant to 35 U.S.C. §285.

COUNT II

Unjust Enrichment

31. Plaintiff repeats and realleges each and every allegation set forth in paragraphs 1-30 inclusive, and incorporates them herein by reference.

32. As a result of the conduct of Defendant as described above, and unless the relief sought in this Complaint is granted, Defendant will unjustly benefit from and be unjustly enriched by, their own intentional and wrongful acts.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff Emseal Joint Systems, Ltd. hereby demands a jury trial as to all triable matters.

PRAYER FOR RELIEF

WHEREFORE, as relief, Plaintiff respectfully prays for a judgment against Defendant as follows:

- A. Declaring that Defendant infringes at least one claim of the '708 Patent literally, and/or under the Doctrine of Equivalents.
- B. Declaring that Defendant has actively induced infringement of at least one claim of the '708 Patent.
- C. Declaring that Defendant has actively contributorily infringed the '708 Patent.
- D. Declaring that Defendant has actively induced the combination of components of the '708 Patent outside of and within the U.S.
- E. Preliminarily and permanently enjoining Defendant from committing further acts of infringement under 35 U.S.C. §271 of any of the claims of the '708 Patent, pursuant to 35 U.S.C. §283.

F. Awarding Plaintiff its lost profits and other damages adequate to compensate for Defendant's infringement and unfair trade practices in accordance with 35 U.S.C. §284.

G. Declaring this to be an "exceptional" case within the meaning of 35 U.S.C. §285, entitling Plaintiff to an award of its reasonable attorneys' fees, expenses and costs in this action as well as pre-judgment and post judgment interests.

H. Declaring Defendant's acts and practices were willful and knowing violations of 35 U.S.C. §271.

I. Grant damages associated with Defendant's infringing activities be trebled where allowed by law as a result of Defendant's actions complained of herein.

J. Plaintiff has such other and further relief as this Court may deem just and equitable.

Respectfully submitted,
EMSEAL JOINT SYSTEMS, LTD.

By Its Attorneys,

SHEEHAN PHINNEY BASS + GREEN,
PROFESSIONAL ASSOCIATION

Dated: June 23, 2016

By: /s/ Robert R. Lucic
Robert R. Lucic, BBO No. 677494
Michael J. Lambert, BBO No. 632053
Peter A. Nieves, Admitted *pro hac vice*
255 State Street
Boston, MA 02019
(617) 897-5600
rlucic@sheehan.com

By: /s/ John H. Mutchler
John H. Mutchler
Intellectual Property Attorney
MKG LLC
306 Industrial Park Road, Suite 206
Middletown, Connecticut 06457-1532
(860) 632-7200 x308
Email: mutchler@mkqip.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the original foregoing **FIRST AMENDED COMPLAINT** has been served by John H. Mutchler through the Court's EFC system this June 23, 2016 upon the attorneys for Defendant.

Gary E. Lambert
Lambert & Associates
92 State Street
Suite 200
Boston, MA 02109

Peter B. Goldman
DeConcini McDonald Yetwin & Lacy, P.C.
2525 East Broadway, Suite 200
Tucson, AZ 85716-5300
Phone: 520-322-5000

By: /s/ John H. Mutchler
John H. Mutchler