

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
MARSHALL DIVISION**

KRANOS IP CORPORATION,	)	
KRANOS IP II CORPORATION,	)	
KRANOS CORPORATION DBA	)	
SCHUTT SPORTS,	)	Civil Action No.:
	)	
<i>Plaintiffs,</i>	)	Jury Trial Demanded
	)	
v.	)	
	)	
RIDDELL, INC.,	)	
	)	
<i>Defendant.</i>	)	

**FIRST AMENDED COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiffs Kranos IP Corporation, Kranos IP II Corporation, and Kranos Corporation dba Schutt Sports (collectively, “Plaintiffs”), by their undersigned counsel, and for their First Amended Complaint against Defendant Riddell, Inc. hereby allege as follows:

**SUMMARY OF NATURE OF ACTION**

1. This is a civil action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 1 *et seq.*

2. At the time of the filing of this First Amended Complaint, Defendant Riddell, Inc. has not been served with the original complaint and has not answered or otherwise pled.

**PARTIES**

3. Plaintiff Kranos IP Corporation (“KIP”), is a Delaware corporation with its principal place of business located at 710 South Industrial Drive, Litchfield, Illinois, 62056.

4. Plaintiff Kranos IP II Corporation (“KIPII”), is a Delaware corporation with its principal place of business located at 710 South Industrial Drive, Litchfield, Illinois, 62056.

5. Plaintiff Kranos Corporation dba Schutt Sports (“Schutt”) is a Delaware corporation with its principal place of business located at 710 South Industrial Drive, Litchfield, Illinois, 62056.

6. Plaintiff Schutt is a leading supplier of protective and sports equipment, including football helmets.

7. Defendant Riddell, Inc. (“Defendant” or “Riddell”) is an Illinois corporation, with its principal place of business located at 9801 West Higgins Road, Suite 800, Rosemont, Illinois, 60018. Defendant is registered to do business in the State of Texas and has a registered agent in Texas. Defendant’s registered agent is Corporation Service Company d/b/a CSC-Lawyers INCO, and it is located at 211 E. 7<sup>th</sup> Street, Suite 620, Austin, TX 78701.

8. Defendant makes, sells, offers for sale in the United States, and/or imports into the United States, protective and sports equipment, including football helmets.

### **JURISDICTION AND VENUE**

9. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

10. This Court has personal jurisdiction over Defendant because Defendant engages in business within this District, Defendant has committed acts of infringement in violation of 35 U.S.C. § 271, and Defendant has placed infringing products into the stream of commerce, through an established distribution channel, with the knowledge and/or understanding that such products are shipped into, sold, and/or used in this District. These acts have caused injury to Plaintiffs within this District and continue to cause injury to Plaintiffs within this District. Defendant derives substantial revenue from the sale of infringing products distributed within this District. Defendant expects or should reasonably expect its actions to have consequences within this District, and Defendant derives substantial revenue from interstate commerce.

11. Venue is proper in this district under 28 U.S.C. §§ 1391 and 1400(b) because, among other reasons, Defendant is subject to personal jurisdiction in this District, has committed acts of infringement in this District, and has a regular and established place of business in this District and in Texas.

12. Defendant has committed infringing acts in this District and in Texas at least by making, importing, offering to sell, and/or selling its accused and infringing football helmets to persons and entities in this District and in Texas. Defendant has a regular and established place of business in this District and in Texas because Defendant “does its business in th[is] [D]istrict through a permanent and continuous presence” in this District. *In re Cordis Corp.*, 769 F.2d 733, 738 (Fed. Cir. 1985).

***THE POPULARITY OF FOOTBALL IN THE STATE OF TEXAS AND IN THE EASTERN DISTRICT OF TEXAS***

13. The state of Texas has two professional football teams in the NFL: the Dallas Cowboys and the Houston Texans. As of September 2016, the Dallas Cowboys had a valuation of \$4.2 billion and generated approximately \$700 million in revenue in 2016. (See [www.forbes.com/teams/dallas-cowboys](http://www.forbes.com/teams/dallas-cowboys).) The Dallas Cowboys is the highest-valued NFL team. The Houston Texans is the 9<sup>th</sup> highest-valued NFL franchise at \$2.60 billion, and generated approximately \$416 million in revenue in 2016. (See [www.forbes.com/teams/houston-texans](http://www.forbes.com/teams/houston-texans).)

14. College football in Texas also enjoys immense popularity. For example, in 2015, Forbes ranked the Texas Longhorns of the University of Texas as the most valuable college football franchise with a valuation of \$152 million. (See [www.al.com/auburnfootball/index.ssf/2015/12/auburn\\_ranked\\_no\\_10\\_in\\_forbes.html](http://www.al.com/auburnfootball/index.ssf/2015/12/auburn_ranked_no_10_in_forbes.html).)<sup>1</sup>

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<sup>1</sup> Forbes ranked Texas A&M as the 16<sup>th</sup> most valuable college football franchise in 2015 with a valuation of \$71 million.

15. High school football is also very popular in Texas. [www.fieldlevel.com](http://www.fieldlevel.com) identifies 591 high school football teams in the State of Texas. (See [www.fieldlevel.com/explore-teams/football/tx/highschool](http://www.fieldlevel.com/explore-teams/football/tx/highschool).)

16. The famous book “Friday Night Lights,” by H.G. Bissinger, which describes the passion and popularity of Texas high school football, was a #1 New York Times bestseller, was voted Sports Illustrated’s best football book of all time, and spawned a major movie and a network tv show.

17. The National Federation of State High School Associations identifies an even greater number of Texas high school football teams—more than 1,000. (See 2015-16 High School Athletics Participation Survey, 58.) According to that same survey, more high school students play football in Texas than in any other state: more than 163,000 students. (*Id.*) California, the state with the second highest football participation in the United States, tallied just over 100,000 participants. (*Id.*) Ohio and Florida come next, with approximately 42,000 student football participants each. (*Id.*)

State	Cross Country		Football 11-player		Golf		Gymnastics	
	Schools	Particip.	Schools	Particip.	Schools	Particip.	Schools	Particip.
Alabama	256	3,487	384	32,592	286	1,820		
Alaska	114	1,246	32	2,005			1	1
Arizona	226	3,546	200	20,814	200	1,745		
Arkansas	151	1,702	203	11,092	204	1,296	2	33
California	1,267	29,628	1,064	100,205	976	10,839	5	13
Colorado	241	4,347	214	15,490	192	2,224		
Connecticut	183	4,027	147	9,842	167	1,774		
Delaware	52	979	44	3,067	49	414		
District of Columbia	27	506	25	1,342	13	98		
Florida	563	8,172	537	42,262	486	4,191		
Georgia	411	8,011	419	34,334	391	3,293		
Hawaii	67	1,208	56	4,508	53	401		
Idaho	111	1,841	90	6,807	88	999		
Illinois	514	11,516	554	44,451	514	7,653	51	1,511
Indiana	390	5,148	321	21,839	354	3,852		
Iowa	314	5,499	276	17,829	329	5,203		
Kansas	305	4,123	233	14,243	230	2,460		
Kentucky	238	3,109	221	14,305	243	2,210		
Louisiana	300	2,949	297	20,540	230	1,111	35	37
Maine	104	1,282	84	3,663	100	1,075		
Maryland	184	3,725	184	13,941	162	1,241	5	5
Massachusetts	310	6,939	328	19,756	296	4,352	8	167
Michigan	615	9,252	595	38,500	497	6,197		
Minnesota	362	7,357	356	23,751	376	5,556		
Mississippi	166	1,760	246	22,430	179	2,300		
Missouri	392	5,953	339	21,883	331	3,938		
Montana	109	1,151	85	4,186	97	927		
Nebraska	230	3,140	190	9,901	242	2,558		
Nevada	85	1,193	74	6,724	76	700		
New Hampshire	72	1,175	57	3,554	67	864		
New Jersey	373	8,196	346	24,835	288	3,948		
New Mexico	110	1,542	128	7,203	75	668		
New York	579	9,863	548	32,387	558	6,867		10
North Carolina	381	6,619	378	29,485	357	3,164		
North Dakota	101	679	85	2,904	131	922		
Ohio	694	10,783	694	42,595	688	7,241	12	107
Oklahoma	237	3,390	263	16,611	246	2,176		
Oregon	216	3,818	190	12,998	160	1,600		
Pennsylvania	570	11,400	576	25,920	523	5,230		
Rhode Island	47	963	43	2,879	39	417		
South Carolina	171	3,422	203	19,151	152	1,769		
South Dakota	150	992	65	3,199	133	1,023		
Tennessee	311	4,110	363	22,943	321	2,442		
Texas	1,279	23,561	1,064	163,835	1,175	13,627		
Utah	130	2,821	104	8,794	119	1,481		
Vermont	53	396	28	1,035	39	235	1	2
Virginia	304	6,344	308	24,394	293	2,706	1	17
Washington	322	6,268	237	21,164	289	2,957		
West Virginia	93	985	107	6,005	89	917		
Wisconsin	398	6,959	408	26,502	362	5,441		
Wyoming	42	609	54	2,613	38	555		

18. Given the overwhelming popularity of football within the state of Texas, it comes as no surprise that Texas, over the last five years, has produced more blue-chip college football recruits than any other state:

State	'17	'16	'15	'14	'13	Total	Total%
Texas	47	52	47	37	46	229	13.8%
Florida	42	47	50	42	46	226	13.6%
California	35	45	44	34	41	199	12.0%
Georgia	33	26	34	23	25	141	8.5%
Ohio	16	12	17	15	19	79	4.8%
Louisiana	12	21	13	16	12	74	4.5%
Alabama	15	8	12	11	13	59	3.6%

(All 50 States, Ranked By Their Percentage Of The Country's Elite College Football Recruits, 2.)

19. In addition to the popularity of professional, college, and high school football in Texas, and in this District in particular, youth football participation is popular as well. According to USA Football's website,<sup>2</sup> there are at least two youth football organizations that are operating, or that have operated, in the Marshall, Texas region, namely, the Boys & Girls Club of Big Pines and Marshall Mavs Pop Warner. (USA Football "Find a League" Marshall Search Results.) Numerous additional youth football organizations are currently operating in Texas. (See, e.g., Pop Warner League Finder, Texas; see [www.usafootball.com/resources-tools/heads-up-football-finder](http://www.usafootball.com/resources-tools/heads-up-football-finder).)

20. The popularity of football within this District and the State of Texas makes it a natural target for football equipment manufacturers and sellers to develop deep ties to the local sporting goods wholesalers, distributors, and retailers, as well as with the high schools, colleges, youth football organizations, and other football-related organizations. Defendant, the leading supplier of football helmets, including the infringing football helmets, is no exception and has developed deep ties with this District and Texas.

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<sup>2</sup> USA Football is the national governing body for American football. (www. <https://usafootball.com/about-usaf/>.)

***DEFENDANT'S INFRINGEMENT AND PERMANENT AND CONTINUOUS BUSINESS PRESENCE IN THE EASTERN DISTRICT OF TEXAS AND THE STATE OF TEXAS***

21. Defendant is registered to do business in the State of Texas and has a registered agent located at 211 E. 7<sup>th</sup> Street, Suite 620, Austin, TX 78701.

22. Defendant had an agreement to be the official helmet of the NFL from 1989 up until 2014. During that time Defendant's "Riddell" logo was the only permitted logo on helmets, and it was estimated they had 90% of the market share.

23. Currently, Defendant is the leading supplier of football helmets in the United States. Plaintiff Schutt's and Defendant's new helmet sales, including the infringing helmets, are estimated to comprise nearly 95% of the total new helmet sales sold in the United States. On information and belief, Defendant's new football helmet sales, including the infringing helmets, account for more than 60% of new helmet sales sold in this District and in Texas.

24. Defendant previously advertised, and, on information and belief, currently advertises that "Riddell/All American manufactures and distributes all of their products through its own direct sales force and a select number of dealers. Riddell/All American has ten company centers and over 230 full-time salesmen / saleswomen."

25. Defendant previously stated, and, on information and belief, currently states that "Riddell is the leading supplier and reconditioner of football equipment in the U.S., and has the only national sporting goods direct sales force calling on junior high schools, high schools, and colleges."

26. Defendant's website also currently states that it has its own direct sales representatives who sell the infringing football helmets:

"Contact an Institutional Sales Representative

Our direct sales force sells direct to youth groups and organizations, jr. & sr. high schools, colleges/universities and professional teams. Riddell created this website to assist individuals not fitting this description, ie., players, parents, etc., that are not eligible to buy direct via our salesforce. If, however, you are a coach, athletic director, equipment manager, trainer, administrator and/or youth director, ***please fill out the form below***. We will process your information and a Riddell direct sales representative will contact you immediately.” (See <http://team.riddell.com/contact/>.)

27. Defendant's website also currently states that it has "Over 250 sales representatives all across the United States of America. To contact one of our institutional sales representatives, please fill out the form on the right and someone will get in contact with you shortly." (See <http://team.riddell.com/find-a-rep/>.) Defendant's own website identifies at least approximately five direct sales representatives as being located in this District, and many more as being located in the State of Texas:



(<http://team.riddell.com/find-a-rep>). On information and belief, Defendant has additional direct sales representatives servicing this District beyond the at least approximately five direct sales representatives reflected on the map shown above.



28. On information and belief, Defendant's direct sales representatives are Defendant's employees, live or have an office in this District and in Texas, can be locally contacted in this District and in Texas, receive compensation and benefits from Defendant in this District and in Texas, receive a commission on sales made on the infringing helmets in this District and in Texas (from Defendant in this District and in Texas), receive traveling expenses for travel related to the offering for sale and sale of the infringing helmets in this District and in Texas (from Defendant in this District and in Texas). On information and belief, Defendant pays taxes, franchise taxes, and fees to the State of Texas and municipalities in this District relating to its employment of Defendant's direct sales representatives who offer for sale and sell the infringing helmets in this District and in Texas.

29. On information and belief, Defendant's direct sales representatives receive the infringing helmets in this District and in Texas, keep a stock of samples of the infringing helmets in this District and in Texas, and display and show samples of the infringing helmets in this District and in Texas. On information and belief, Defendant's direct sales representatives have given and continue to give sales presentations and provided promotional materials regarding Riddell's infringing helmets in this District and in Texas.

30. On information and belief, Defendant has sales showrooms that display samples of the infringing products in this District and in Texas.

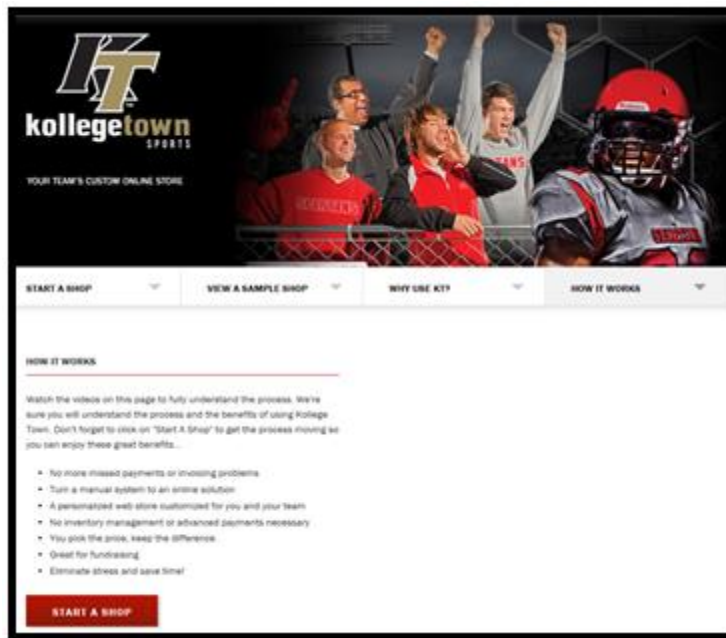
31. For example, Defendant employs Rokky Mullikin as a direct sales representative in this District. Mr. Mullikin's LinkedIn page states that he is a "NorthEast Texas Sales Rep at Riddell" and lists his location as Longview, Texas. Other sources on the internet list his location as Gladewater, Texas and White Oak, Texas. All of those locations are in this District. His contact information for Defendant identifies a phone number with a (903) area code. The (903)

area code is associated with the following larger cities: Athens, Bonham, Carthage, Corsicana, Denison, Gladewater, Henderson, Jacksonville, Kilgore, Longview, Marshall, Mount Pleasant, Palestine, Paris, Sherman, Sulphur Springs, Texarkana, Tyler. (See <https://www.areacodelocations.info/9/903.html>.) On information and belief, all of the listed cities are located in this District. On information and belief, Mr. Mullikin has traveled to schools, counties, municipalities, and school districts within this District as an approved vendor for those schools, counties, municipalities, and school districts, in order to offer for sale and sell infringing helmets. On information and belief, Mr. Mullikin has acted as a direct sales representative for the schools, counties, municipalities, and school districts for which Riddell is identified as an approved vendor and for which Mr. Mullikin is the identified contact.

32. Defendant's direct sale representatives' presence in this District and in Texas has not been temporary. Instead, it has been permanent and continuous and has lasted for many, many years. Defendant's direct sales representatives' presence and actions in this District and in Texas demonstrate that Defendant has a regular and established business practice in this District and in Texas.

33. Defendant ships its products, including the infringing football helmets, to direct purchasers and distributors in this District and in Texas, maintains a direct sales force in this District and in Texas, sells its products in retail stores in this District and in Texas, and advertises its products in this District and in Texas.

34. Defendant provides a custom, online store front solution to youth leagues, high schools, school districts, and other organizations through its website at [www.riddell.com](http://www.riddell.com). Defendant has named its custom, online store feature "Kollege Town Sports":



(See <http://www.riddell.com/team-orders>.)

35. Defendant's Kollege Town Sports online store front model provides for, among other things, easy team ordering of sports equipment and apparel by sports teams, school districts, and high schools. On information and belief, Defendant has provided custom Kollege Town Sports online stores to schools, school districts, and/or other organizations located within this District and in Texas. On information and belief, Riddell has offered for sale and sold its infringing football helmets to such schools, school districts, and other organizations located within this District and in Texas.

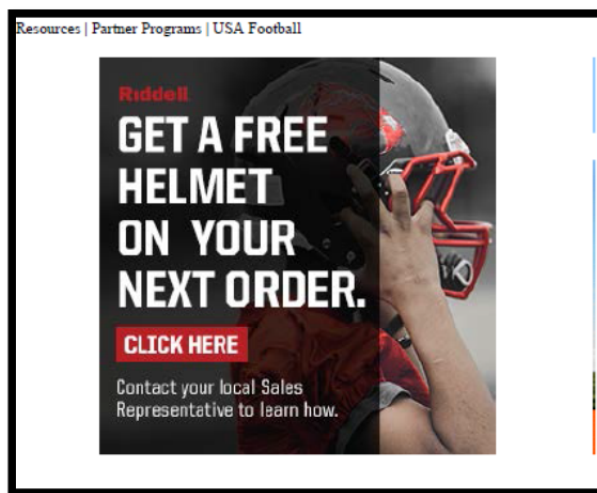
36. Defendant is identified as an approved vendor in schools, counties, municipalities, and school districts throughout this District and Texas. Defendant sells the infringing football helmets directly to the aforementioned schools, counties, municipalities, and school districts, among others.

37. For example, online records from the town of Elysian Fields, Texas show that it has directly paid vendor "Riddell/All American Sports" thousands of dollars for football helmets,

which, on information and belief, include the infringing football helmets. Elysian Fields is located in this District. Online records from the town of Hallsville, Texas show that it has directly paid vendor “Riddell/All American Sports” thousands of dollars for football helmets, which, on information and belief, include the infringing football helmets. Hallsville is located in this District.

38. Online records also show that the Marshall Independent School District has directly paid vendor “Riddell/All American Sports” thousands of dollars for football helmets and the reconditioning of football helmets, which, on information and belief, include the infringing football helmets. The Marshall Independent School District is located in this District.

39. Defendant has entered into partnerships with both USA Football and Pop Warner. For example, Defendant advertises “GET A FREE HELMET ON YOUR NEXT ORDER” on the USA Football website:

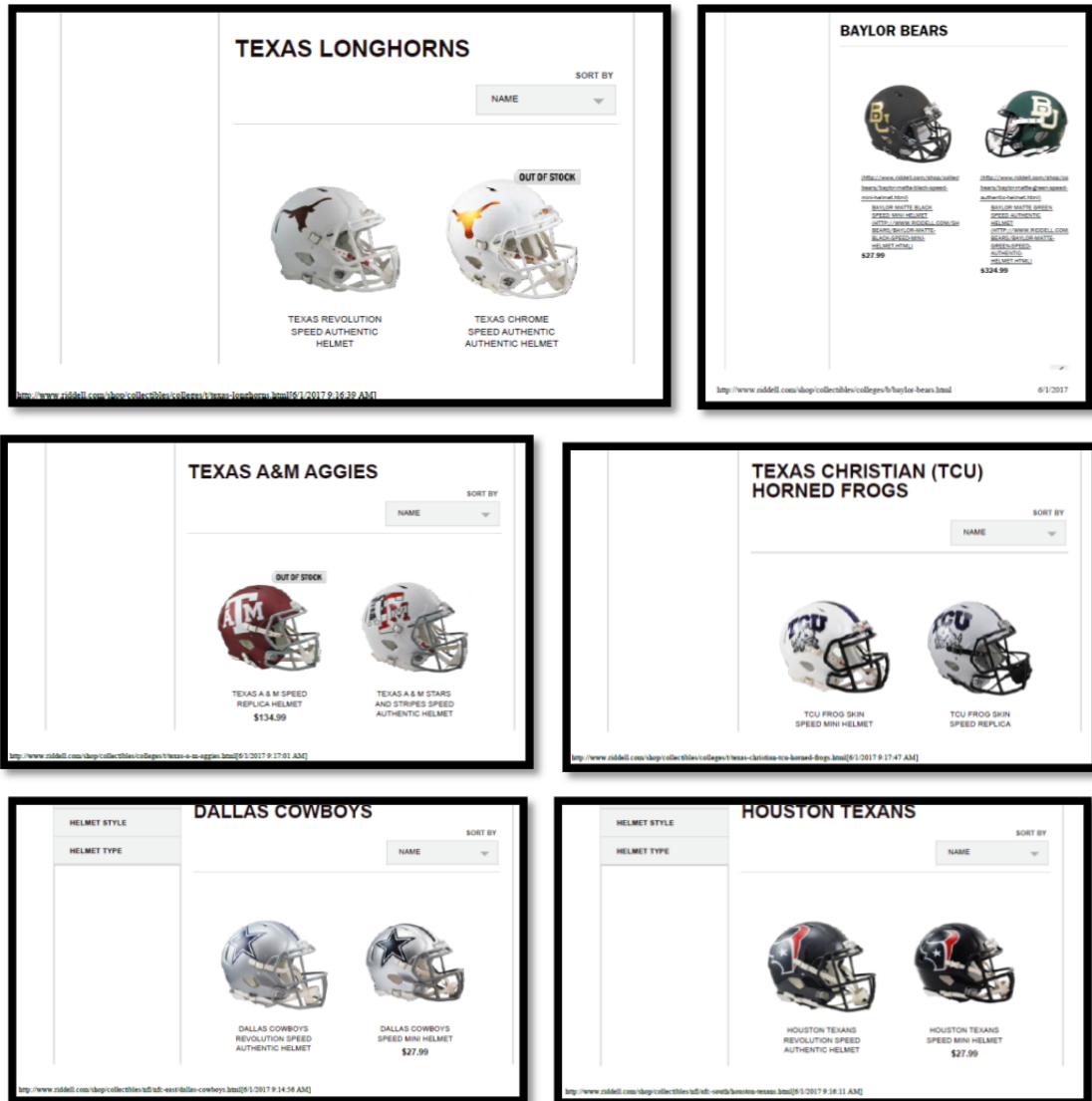


(USA Football Partnerships.) Defendant recently extended its partnership with USA Football for an additional six years this past month. (*See* 05/10/2017 Riddell Press Release.) In 2016, Defendant and Pop Warner entered into a partnership in which “Pop Warner is now an official

youth football partner of Riddell” and Defendant is “Pop Warner’s official protective equipment and reconditioning provider.” (*See* 04/13/2016 Riddell Press Release.)

40. On information and belief, Defendant has used its partnerships with youth football organizations that operate in Texas to offer for sale and sell the infringing football helmets within this District and in Texas to coaches, administrators, and participants involved in those organizations.

41. Defendant is licensed to use the names and logos of numerous Texas colleges, universities, and professional football teams on its accused football helmets, including, for example, the University of Texas, Baylor University, Texas A&M, Texas Christian University, the Dallas Cowboys, and the Houston Texans. Defendant sells its infringing football helmets branded with the aforementioned names and logos via its website [www.riddell.com](http://www.riddell.com):



42. Defendant has sold infringing football helmets bearing the names and/or logos of Texas colleges, universities, and professional football teams to persons and entities in this District and in Texas. The football players for the college and professional teams noted above wear Defendant's infringing football helmets:



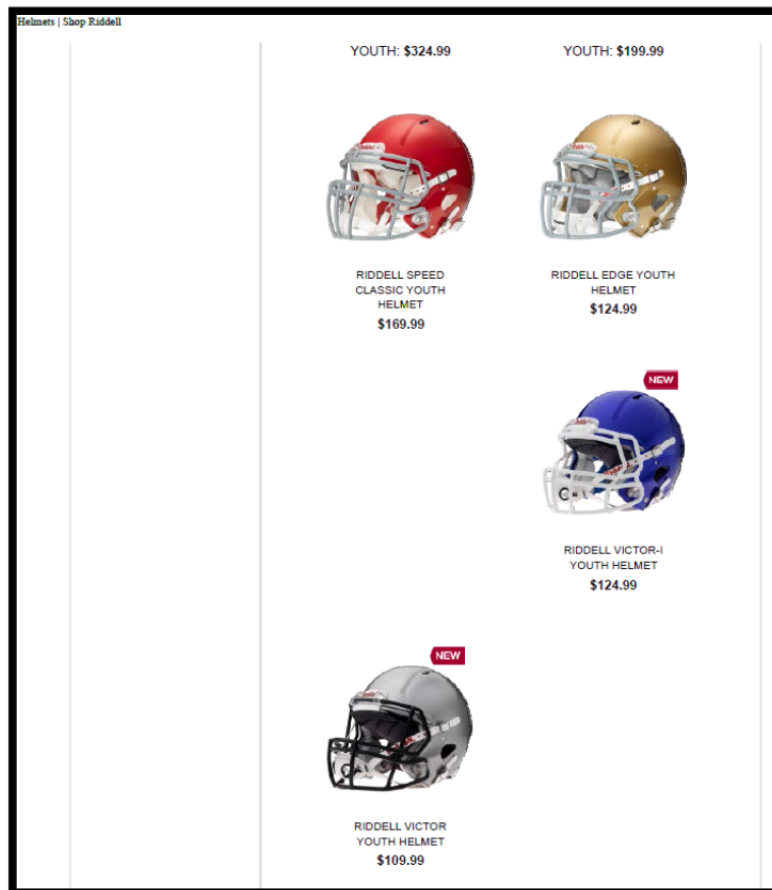
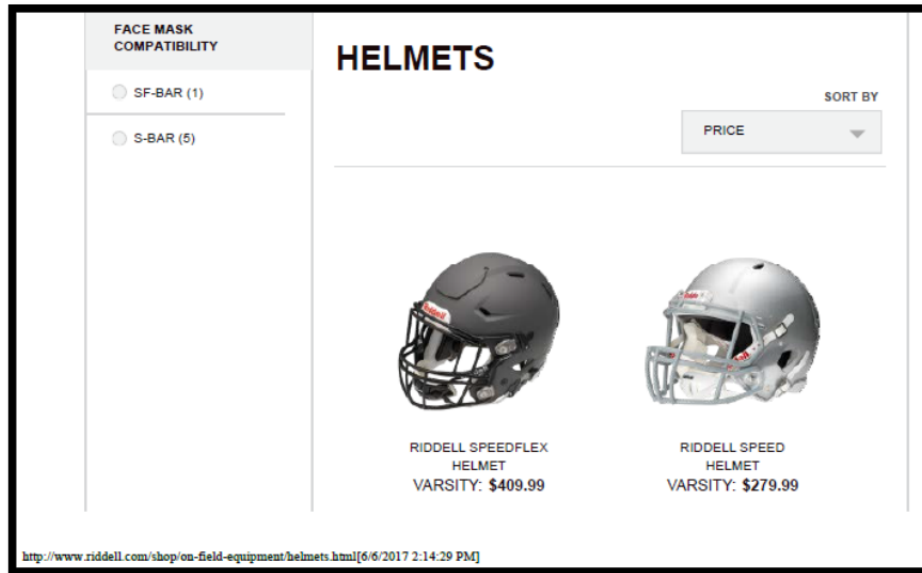




43. The Dallas Cowboys—the most valuable professional football franchise in the United States—is located in Frisco, Texas, which is in this District. Defendant offers for sale and sells infringing helmets directly to the Dallas Cowboys in this District.

44. Defendant also offers for sale and sells non-branded versions of its infringing football helmets direct to consumers located in this District and in Texas through its website [www.riddell.com](http://www.riddell.com). Currently, Defendant offers for sale and sells the SpeedFlex, Speed, Speed Classic, Edge, Victor-I, and Victor accused football helmets via its website:



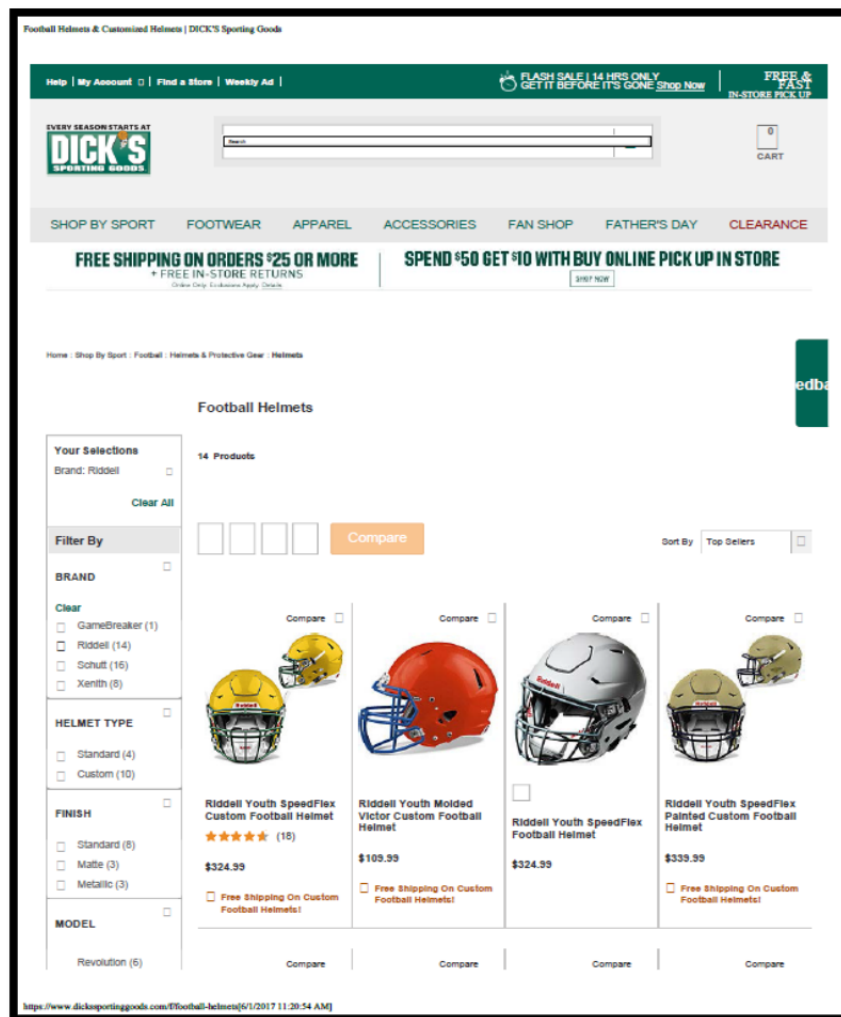


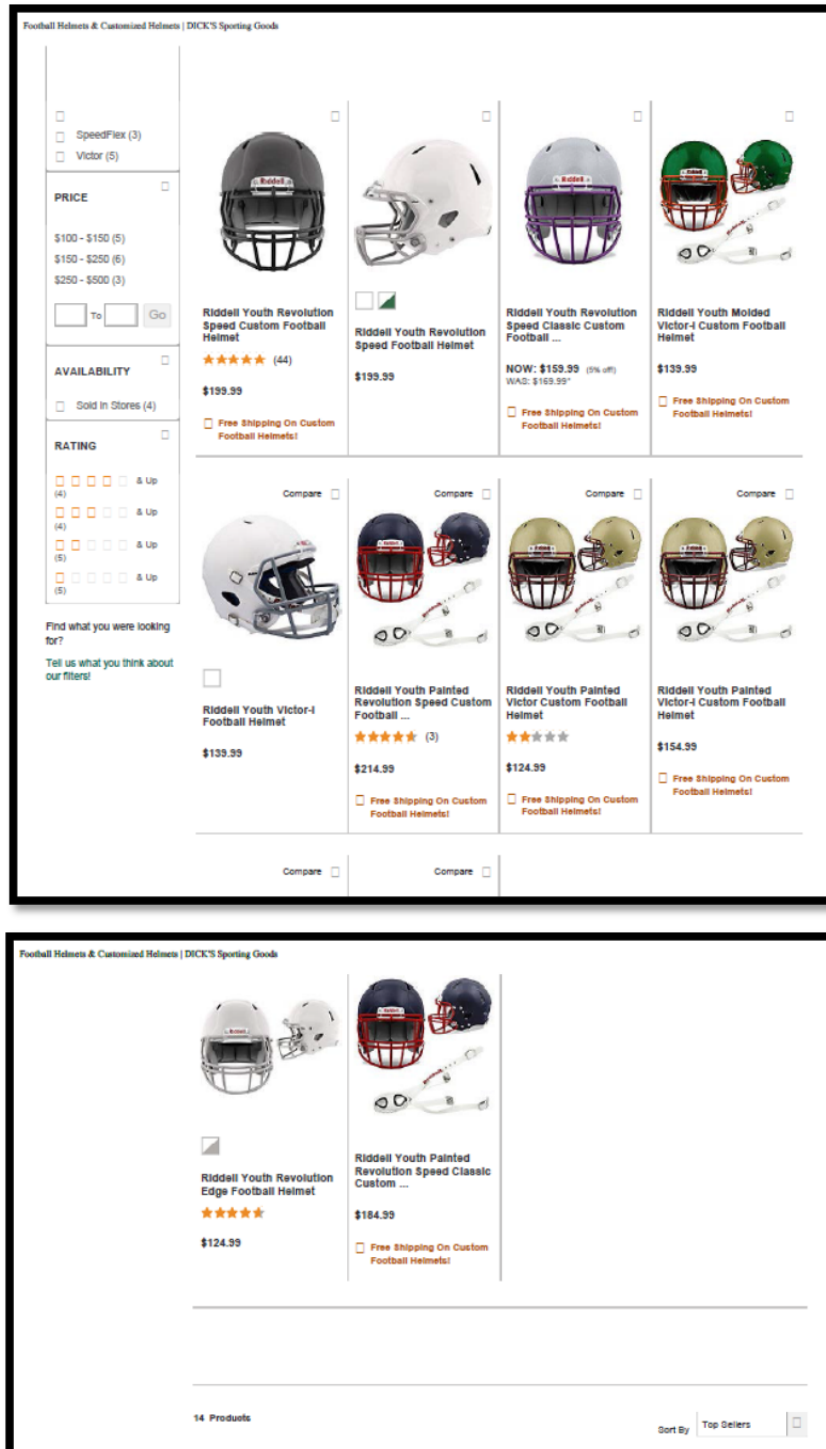
45. In addition to the infringing football helmets currently for sale on [www.riddell.com](http://www.riddell.com), Defendant has, on information and belief, offered for sale and/or sold its 360,

Revolution IQ, Foundation, Revolution Attack, Revolution Attack-I, and Attack helmets to consumers located in this District and in Texas through its website, [www.riddell.com](http://www.riddell.com). On information and belief, Defendant has sold its infringing football helmets to persons and entities in this District.

46. Defendant also sells its infringing football helmets to retailers located in this District and in Texas, who then offer for sale and sell the infringing football helmets to customers.

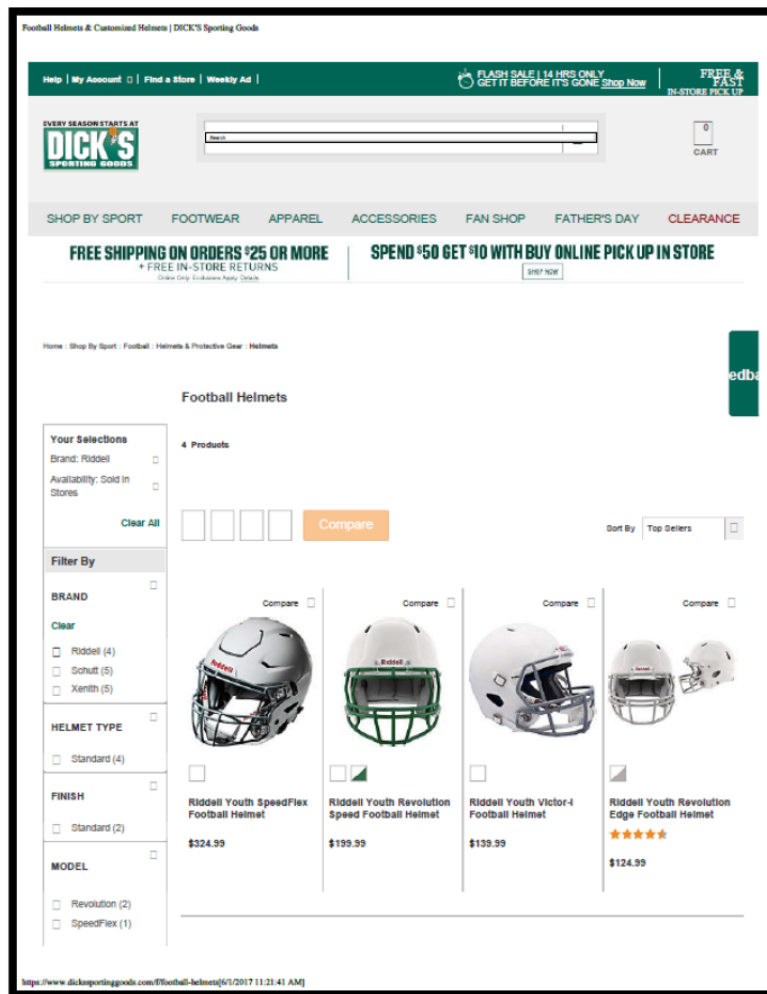
47. Riddell sells the accused football helmets to Dick's Sporting Goods, who then offers for sale and sells those football helmets via its website, [www.dickssportinggoods.com](http://www.dickssportinggoods.com):







48. On information and belief, Dick's Sporting Goods sells the accused Riddell football helmets to persons and entities located in this District and in Texas.

49. Dick's Sporting Goods also sells the accused Riddell football helmets to customers via its brick and mortar stores, which also have a permanent and established business presence in this District and in Texas. At least Riddell's SpeedFlex, Speed, Victor-I, and Edge accused football helmets are available for sale in Dick's Sporting Goods' retail stores:









50. According to the Dick's Sporting Goods' website, each of the accused Riddell SpeedFlex, Speed, and Victor-I football helmets are available for sale at Dick's Sporting Goods' Longview, Texas location, which is located within this District:


**Find a Store** Search by ZIP Code or City, State 




10 Stores found within 250 miles Next >

 <b>1</b> 64.17 Miles	<b>LONGVIEW</b> <b>Longview Mall</b> 3500 Mccann Road, Suite K101 Longview, TX 75605 903-653-1437 <a href="#">Store Details</a>	<b>Today's Hours:</b> Thursday 9:00am - 9:30pm <a href="#">View All Hours</a>	 <a href="#">Get Directions</a> <a href="#">Send to Phone</a> <a href="#">Send to Email</a>	
 <b>2</b> 96.15 Miles	<b>SHREVEPORT</b> <b>Kings Crossing</b> 7543 Youree Drive Shreveport, LA 71105 318-797-9110 <a href="#">Store Details</a>	<b>Today's Hours:</b> Thursday 9:00am - 9:30pm <a href="#">View All Hours</a>	 <a href="#">Get Directions</a> <a href="#">Send to Phone</a> <a href="#">Send to Email</a>	
<b>THE WOODLANDS</b>		<b>Today's Hours:</b>		

[https://www.dicksportinggoods.com/s/stores\[6/1/2017 11:19:35 AM\]](https://www.dicksportinggoods.com/s/stores[6/1/2017 11:19:35 AM])


**Check Store Availability** 




**Riddell Youth SpeedFlex Football Helmet**  
 SKU: 15775205  
**\$324.99**  
 Color: White  
 Size: S  
 Quantity: 1

Enter ZIP Code or City, State

☒ 41 Stores Found Within 250 Miles
 ☐ Only Display Stores with Availability

 2 Miles	<b>LONGVIEW</b> <b>LONGVIEW MALL</b> 3500 MCCANN ROAD, SUITE K101 LONGVIEW, TX 75605 903-653-1437	<input type="checkbox"/> <a href="#">Get Directions</a> <input type="checkbox"/> <a href="#">Store Hours</a>	<b>Limited Stock</b> available to purchase at this store
------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------



**Riddell Youth Revolution Speed Football Helmet**  
SKU: 13589357

**\$199.99**

Color: White/Grey  
Size: S  
Quantity: 1

Enter ZIP Code or City, State

longview, texas

☒ 36 Stores Found Within 250 Miles


☐ Only Display Stores with Availability

☒ 2 Miles

**LONGVIEW**  
LONGVIEW MALL  
3500 MCCANN ROAD, SUITE K101  
LONGVIEW, TX 75605  
803-863-1437

[Get Directions](#)  
[Store Hours](#)

**Limited Stock**  
available to purchase at this store



**Riddell Youth Victor-I Football Helmet**  
SKU: 15578208

**\$139.99**

Color: White  
Size: S/M  
Quantity: 1

Enter ZIP Code or City, State

longview, texas

☒ 45 Stores Found Within 250 Miles

☐ Only Display Stores with Availability

☒ 2 Miles

**LONGVIEW**  
LONGVIEW MALL  
3500 MCCANN ROAD, SUITE K101  
LONGVIEW, TX 75605  
803-863-1437

[Get Directions](#)  
[Store Hours](#)

**Limited Stock**  
available to purchase at this store

51. Defendant also employs and/or partners with Caniford & Associates for sales representation services. On information and belief, Caniford & Associates' Texas-based sales representatives offer for sale and sell Defendants' infringing football helmets directly to persons and entities in the State of Texas and in this District. (See 05/31/2017 Riddell Sales Representative List.) Specifically, according to Defendant's 05/31/2017 Sales Representative

List, Defendant has Texas-based sales representatives located in North Richland Hills, Grapevine, and Fort Worth:

CANIFORD & ASSOCIATES		
TX, Key Accounts		
Chuck Caniford	(817)301-2238 P	
7904 Bentley Drive	(817)288-0558 F	
North Richland Hills, TX 76181	(817)301-2238 C	
Chuck@canifordc2.com		
TX		
Joe Sogan	(817)707-7444 P	
3430 Spindletree Dr	(817)288-0558 F	
Grapevine, TX 76051	(817)707-7444 C	
Joe@canifordc2.com		
AZ, CA, NV, WA, HI, OR, AK		
Dave Marsh	(714)970-2438 P	
1150 N. Amberly Lane	(714)777-6966 F	
Anaheim Hills, CA 92807	(714)325-9066 C	
Dave@canifordc2.com		
AR, OK, TX		
Tyler Kreis	(817)541-4090 x2 P	
3001 Saddle Creek Drive	(817)288-0558 F	
Fort Worth, TX 76177	(817)480-9655 C	
Tyler@canifordc2.com		

52. Defendant also offers for sale and sells infringing football helmets to the Marshall Mavericks High School football team. Marshall High School is located at 1900 Maverick Drive, Marshall, Texas 75670, which is located in this District. The Marshall Mavericks wear infringing Riddell helmets:

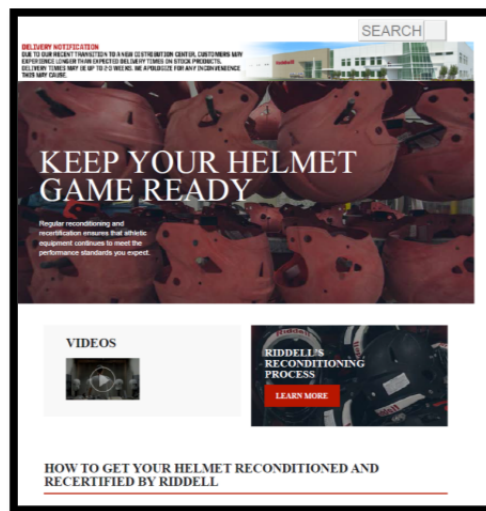


53. Defendant also offers for sale and sells infringing football helmets to other high school and college football teams in this District and in Texas.



54. Ultimately, on information and belief, Defendant's new football helmet sales comprise more than approximately 60% of the total new football helmet sales in this District and in Texas. On information and belief, Defendant makes a significant percentage of its total sales of the infringing helmets to Texas residents.

55. In addition to selling new helmets to persons and entities located within this District and Texas, Defendant also reconditions and recertifies helmets in this District and in Texas:



56. Defendant previously advertised, and, on information and belief, currently advertises that "Riddell/All American reconditions football, baseball and other athletic equipment through its own work force and does not use any outside distributors or facilities to complete this work."

57. Defendant advertises its reconditioning and recertification of the infringing helmets on its website. (See <http://www.riddell.com/reconditioning>.)

58. On information and belief, many of those reconditioned and recertified helmets are for persons and entities located within this District and in Texas.



59. Specifically, Defendant owns and operates Riddell All-American Sports at 6846 Alamo Downs Pkwy, San Antonio, TX 78238, a football helmet reconditioning and recertification facility.

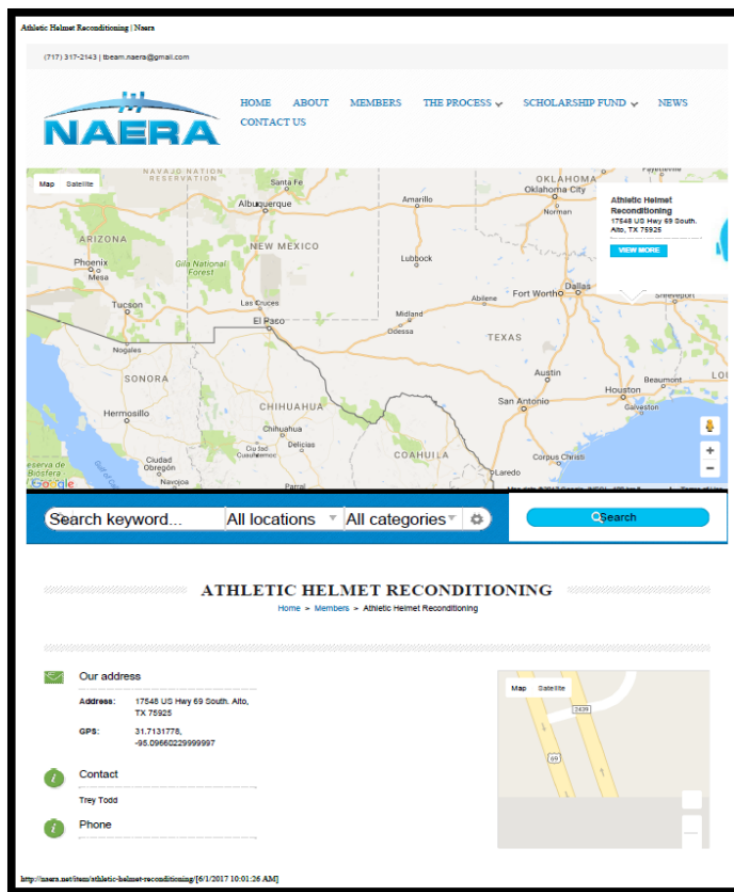
60. Every year, worn infringing football helmets are sent to Riddell All-American Sports for reconditioning and recertification. The reconditioning and recertification process includes cleaning and sanitizing the infringing helmets, replacing helmet hardware with original Riddell parts and accessories, and recertifying the infringing helmets under the applicable NOCSAE football helmet safety standards.<sup>3</sup>

61. In addition to operating its own helmet reconditioning and recertification facility in Texas, Defendant also sells original Riddell helmet parts and accessories to independent helmet reconditioners located within the District and Texas.

62. For example, Defendant sells, either directly or indirectly, original helmet parts and accessories to Athletic Helmet Reconditioning, located at 17548 US Hwy 69 South, Alto, TX 75925. Alto, Texas is located in Cherokee County, which falls within this District:

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<sup>3</sup> NOCSAE stands for the National Operating Committee on Standards for Athletic Equipment. (See <http://nocsae.org/about-nocsae/history-and-purpose/>.) NOCSAE develops, among other things, football helmet safety standards.



(NAERA Member Location, Athletic Helmet Reconditioning<sup>4</sup>.)

63. Between its new helmet and reconditioned helmet sales in this District and in Texas, Defendant has maintained a permanent and continuous presence in this District and in Texas such that it has a regular and established business practice in this District and in Texas.

### **COUNT I** **INFRINGEMENT OF U.S. PATENT NO. 6,434,755**

64. Plaintiffs repeat and re-allege each and every allegation of the foregoing paragraphs as though fully set forth herein.

<sup>4</sup> Athletic Helmet Reconditioning and Riddell All-American Sports are both NAERA members. NAERA is the National Athletic Equipment Reconditioners Association, (*see* [www.naera.net/about-naera/](http://www.naera.net/about-naera/)), which is comprised of approximately 21 members across the United States (*see* [www.naera.net/members/](http://www.naera.net/members/)).

65. Plaintiff KIPPI is the owner of all rights and interests in U.S. Patent No. 6,434,755, entitled “Helmet” (“the ‘755 patent”), which was duly and lawfully issued by the United States Patent and Trademark Office on August 20, 2002. A true and correct copy of the ‘755 patent is attached as **Exhibit A** and made a part hereof.

66. Plaintiff Schutt is a licensee of the ‘755 patent with a right to enforce the patent.

67. The ‘755 patent lists P. David Halstead, Cherie F. Alexander, and Thad Ide as inventors.

68. Defendant has had knowledge of the ‘755 patent at least as of the date that Thad Ide, a named inventor of the ‘755 patent, began his employment with Defendant. On information and belief, Mr. Ide is currently Defendant’s head of Research and Development and has been employed by Defendant for more than ten years.

69. Defendant has also had knowledge of the ‘755 patent at least as of July 22, 2016, the date that Kranos Corporation, d/b/a Schutt Sports produced a copy of the ‘755 patent to Plaintiff in Case No. 1:16-cv-4496, *Riddell, Inc. v. Kranos Corporation d/b/a Schutt Sports* (N.D.Ill.).

70. Defendant also had knowledge of the ‘755 patent at least as of August 19, 2016, the date that Kranos Corporation, d/b/a Schutt Sports identified the ‘755 patent in its IPR petition relating to Defendant’s U.S. Patent No. 8,938,818, *IPR2016-01650*.

71. Defendant has also had knowledge of the ‘755 patent at least as of December 20, 2016, the date that Kranos Corporation, d/b/a Schutt Sports identified the ‘755 patent in its invalidity contentions in Case No. 1:16-cv-4496, *Riddell, Inc. v. Kranos Corporation d/b/a Schutt Sports* (N.D.Ill.)

72. Defendant has at no time been licensed under the ‘755 patent.

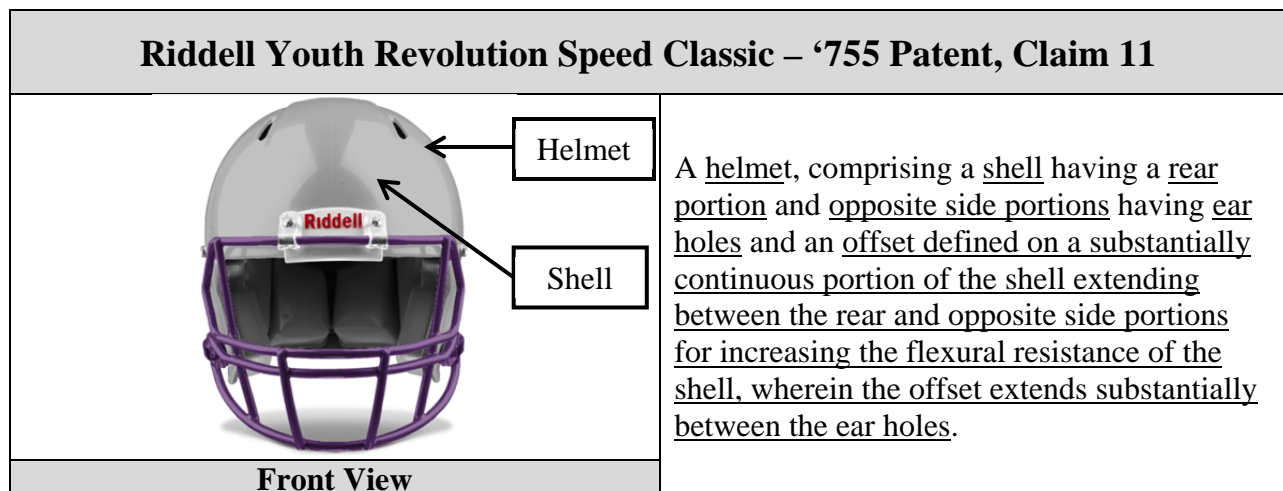
73. Defendant has infringed and continues to infringe one or more claims of the ‘755 patent, literally and/or under the doctrine of equivalents, by its manufacture, use, sale, importation, and/or offer for sale of certain football helmets that embody one or more claims of the ‘755 patent, including but not limited to the following football helmets: SpeedFlex, Revolution Speed, Revolution Speed Classic, 360, Revolution IQ, Foundation, Revolution Edge, Revolution Attack, Revolution Attack-I, Attack, Victor-I, and Victor.

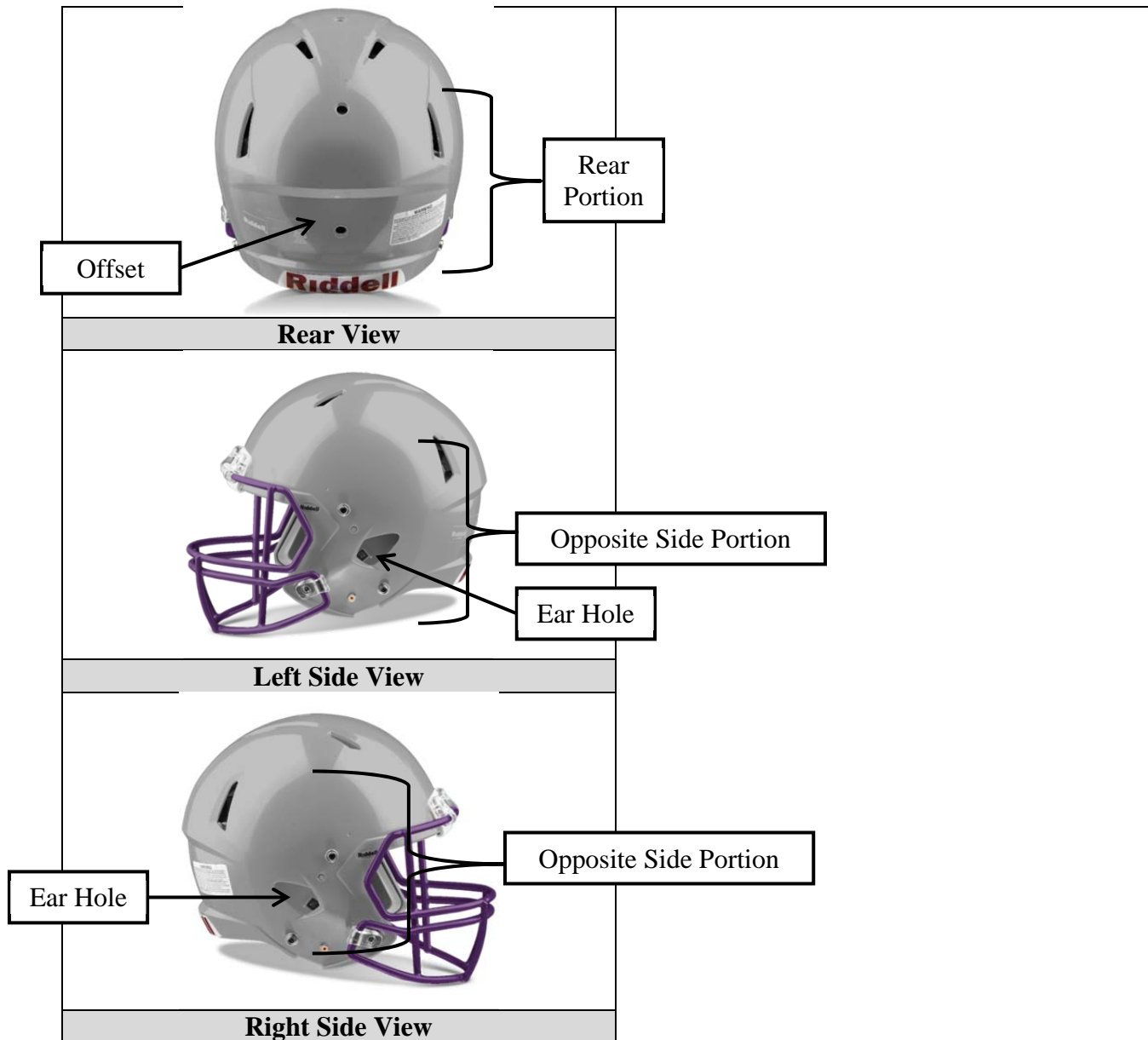
74. By way of example, Claim 11 of the ‘755 patent recites as follows:

A helmet, comprising a shell having a rear portion and opposite side portions having ear holes and an offset defined on a substantially continuous portion of the shell extending between the rear and opposite side portions for increasing the flexural resistance of the shell, wherein the offset extends substantially between the ear holes.

75. Defendant’s SpeedFlex, Revolution Speed, Revolution Speed Classic, 360, Revolution IQ, Foundation, Revolution Edge, Revolution Attack, Revolution Attack-I, Attack, Victor-I, and Victor football helmets include each and every limitation of one or more claims of the ‘755 patent, including at least Claim 11.

76. By way of example, Defendant’s Revolution Speed Classic football helmet meets each and every limitation of Claim 11 of the ‘755 patent as shown below:





77. Defendant's infringement of the '755 patent is willful and deliberate, and entitles Plaintiffs to increased damages pursuant to 35 U.S.C. § 284 and to attorneys' fees and costs incurred in prosecuting this action pursuant to 35 U.S.C. § 285. Defendant had prior knowledge of the '755 patent as discussed above. Nevertheless, Defendant has infringed and continues to infringe the '755 patent despite an objectively high likelihood that its actions constituted infringement.

78. Plaintiffs have been injured and damaged by Defendant's infringement of the '755 patent. Defendant's infringement has caused, and will continue to cause, irreparable harm to Plaintiffs, for which Plaintiffs have no adequate remedies at law, unless and until enjoined by this Court.

**COUNT II**  
**INFRINGEMENT OF U.S. PATENT NO. 9,498,014**

79. Plaintiffs repeat and re-allege each and every allegation of the foregoing paragraphs as though fully set forth herein.

80. Plaintiff Kranos IP Corporation is the owner of all rights and interests in U.S. Patent No. 9,498,014, entitled "Protective Helmet" ("the '014 patent"), which was duly and lawfully issued by the United States Patent and Trademark Office on November 22, 2016. A true and correct copy of the '014 patent is attached as **Exhibit B** and made a part hereof.

81. Plaintiff Schutt is a licensee of the '014 patent with a right to enforce the patent.

82. The '014 patent lists Michael M. Princip, James C. Wingo, and Jeremy J. Thompson as inventors.

83. On information and belief, Defendant has had knowledge of the '014 patent at least as of the issue date of the '014 patent because Defendant routinely monitors patents that are issued in the field of protective and sports helmets, including the football helmet field.

84. On information and belief, Defendant also has had knowledge of the '014 patent at least as of the issue date of the '014 patent because the application that led to the '014 patent and/or related applications were provided to Defendant, Defendant's employees, and/or Defendant's agents, and Defendant routinely monitors patents that are issued in the field of protective and sports helmets, including the football helmet field.

85. Defendant has also had knowledge of the '014 patent at least as of the date of the service of this Complaint.

86. Defendant has at no time been licensed under the '014 patent.

87. Defendant has infringed and continues to infringe one or more claims of the '014 patent, literally and/or under the doctrine of equivalents, by its manufacture, use, sale, importation, and/or offer for sale of certain football helmets that embody one or more claims of the '014 patent, including but not limited to the following football helmets: adult and youth football helmets in the SpeedFlex model line.

88. By way of example, independent claim 3 of the '014 patent recites as follows:

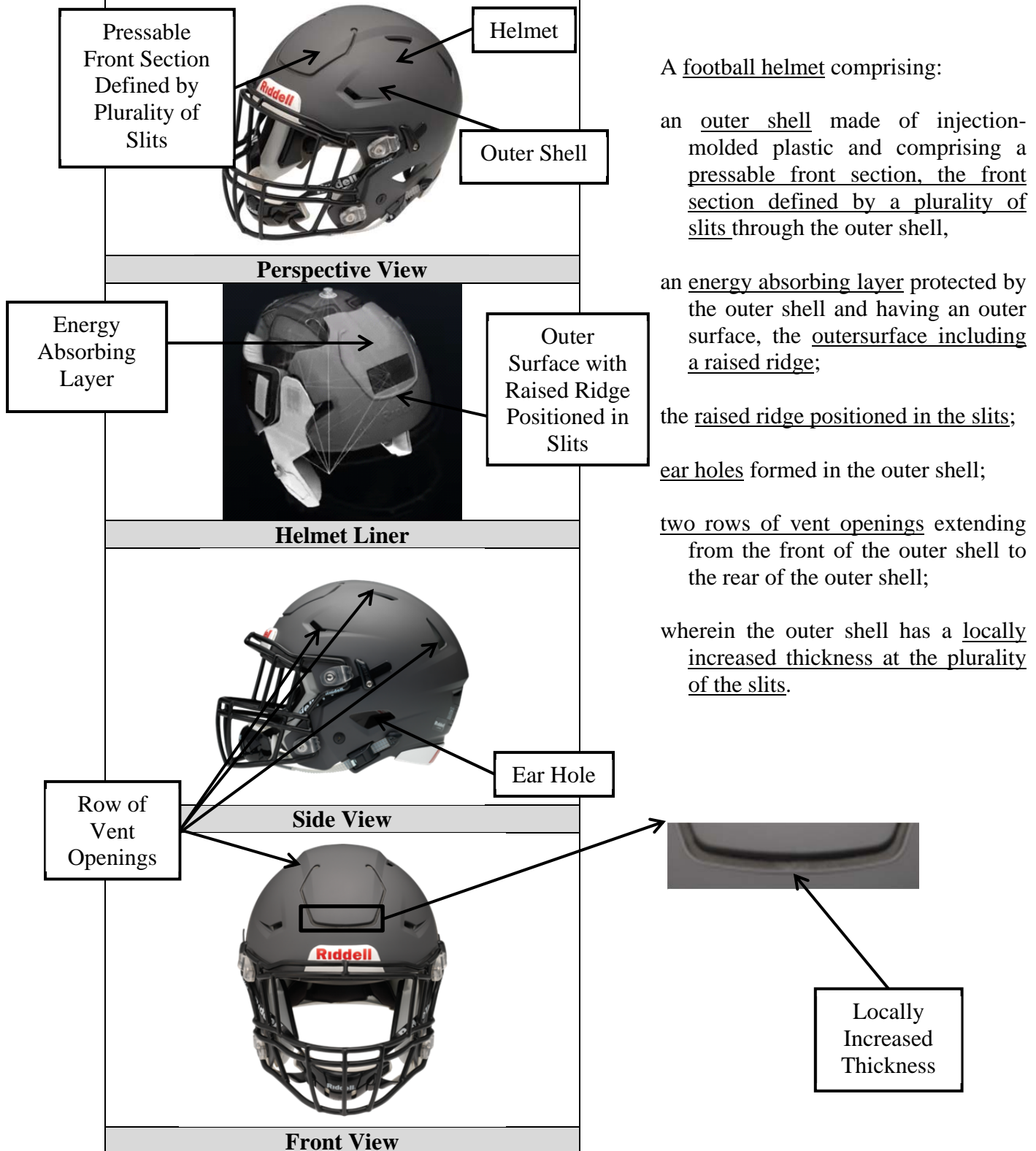
A football helmet comprising:

an outer shell made of injection-molded plastic and comprising a pressable front section, the front section defined by a plurality of slits through the outer shell,  
an energy absorbing layer protected by the outer shell and having an outer surface, the outersurface including a raised ridge;  
the raised ridge positioned in the slits;  
ear holes formed in the outer shell;  
two rows of vent openings extending from the front of the outer shell to the rear of the outer shell;  
wherein the outer shell has a locally increased thickness at the plurality of the slits.

89. Defendant's SpeedFlex football helmets include each and every limitation of one or more claims of the '014 patent, including at least Claims 3, and 4-16.

90. By way of example, Defendant's SpeedFlex football helmet meets each and every limitation of Claim 3 of the '014 patent as shown below:

### Riddell SpeedFlex – '014 Patent, Claim 3



A football helmet comprising:

an outer shell made of injection-molded plastic and comprising a pressable front section, the front section defined by a plurality of slits through the outer shell,

an energy absorbing layer protected by the outer shell and having an outer surface, the outersurface including a raised ridge;

the raised ridge positioned in the slits;

ear holes formed in the outer shell;

two rows of vent openings extending from the front of the outer shell to the rear of the outer shell;

wherein the outer shell has a locally increased thickness at the plurality of the slits.



91. Defendant's infringement of the '014 patent is willful and deliberate and entitles Plaintiffs to increased damages pursuant to 35 U.S.C. § 284 and to attorneys' fees and costs incurred in prosecuting this action pursuant to 35 U.S.C. § 285. Defendant had prior knowledge of the '014 patent as discussed above. Nevertheless, Defendant has infringed and continues to infringe the '014 patent despite an objectively high likelihood that its actions constituted infringement.

92. Plaintiffs have been injured and damaged by Defendant's infringement of the '014 patent. Defendant's infringement has caused, and will continue to cause, irreparable harm to Plaintiffs, for which Plaintiffs have no adequate remedies at law, unless and until enjoined by this Court.

**COUNT III**  
**INFRINGEMENT OF U.S. PATENT NO. 8,499,366**

93. Plaintiffs repeat and re-allege each and every allegation of the foregoing paragraphs as though fully set forth herein.

94. Plaintiff Kranos IP Corporation is the owner of all rights and interests in U.S. Patent No. 8,499,366, entitled "Helmet with Shell Having Raised Central Channel" ("the '366 patent"), which was duly and lawfully issued by the United States Patent and Trademark Office on August 6, 2013. A true and correct copy of the '366 patent is attached as **Exhibit C** and made a part hereof.

95. Plaintiff Schutt is a licensee of the '366 patent with a right to enforce the patent.

96. The '366 patent lists Kenneth W. Nimmons, David Rogers, Duco Noordzij, Eduard Milea, Larry Maddux, and Ray Drake as inventors.

97. Defendant has had knowledge of the '366 patent at least as of February 28, 2017, the date that Kranos Corporation, d/b/a Schutt Sports produced a copy of the '366 patent to

Plaintiff in Case No. 1:16-cv-4496, *Riddell, Inc. v. Kranos Corporation d/b/a Schutt Sports* (N.D.Ill.)

98. On information and belief, Defendant has had knowledge of the ‘366 patent at least as of the issue date of the ‘366 patent because Defendant routinely monitors patents that are issued in the field of protective and sports helmets, including the football helmet field.

99. Defendant has at no time been licensed under the ‘366 patent.

100. Defendant has infringed and continues to infringe one or more claims of the ‘366 patent, literally and/or under the doctrine of equivalents, by its manufacture, use, sale, importation, and/or offer for sale of certain football helmets that embody one or more claims of the ‘366 patent, including but not limited to the following football helmets: Revolution Speed, Revolution Speed Classic, 360, Foundation, Revolution Edge, Revolution Attack, Revolution Attack-I, Attack, Victor-I, and Victor.

101. By way of example, independent claim 14 of the ‘366 patent recites as follows:




A football helmet, comprising:


a shell configured to fit about a head of a wearer of the helmet, the shell comprising: an inner side and an outer side, a top portion defining a front edge, the top portion having a raised central channel at least at one of a front area and a top area of the top portion of the shell, with a plurality of vent openings on each side of the channel, the vent openings being spaced from each other on each side of the channel, from front to back, along the helmet shell; and a bottom portion adjoining the top portion, the bottom portion defining: a first side edge that is integral with a first end of the front edge; and a second side edge that is integral with a second end of the front edge, wherein the front edge, first side edge, and second side edge define a segment of a circumference of the shell, the bottom portion containing a pair of earholes on respective sides of the bottom portion, each positioned rearwardly of the respective first and second side edges, wherein a front portion of the central channel is at the front edge, wherein the raised central channel defines a depression in the inner side of the shell with respect to the other portions of the inner side of the shell, the depression in the inner side of the shell within the raised central channel containing shock absorbing material.

102. Defendant’s Revolution Speed, Revolution Speed Classic, 360, Foundation, Revolution Edge, Revolution Attack, Revolution Attack-I, Attack, Victor-I, and Victor football

helmets include each and every limitation of one or more claims of the '366 patent, including at least Claims 14, 16, and 18-19.

103. By way of example, Defendant's Speed helmet meets each and every limitation of Claim 14 of the '366 patent as shown below:

<b>Riddell Speed - '366 Patent, Claim 14</b>	
 <p style="text-align: center;"><b>Perspective View</b></p>	<p>A <u>football helmet</u>, comprising: a <u>shell</u> configured to fit about a head of a wearer of the helmet, the shell comprising: an inner side and an outer side, <u>a top portion defining a front edge</u>, the top portion having a <u>raised central channel</u> at least at one of a front area and a top area of the top portion of the shell, with a <u>plurality of vent openings</u> on each side of the <u>channel</u>, the vent openings being spaced from each other on each side of the channel, from front to back, along the helmet shell; and a <u>bottom portion adjoining the top portion</u>, the bottom portion defining: <u>a first side edge</u> that is integral with a first end of the front edge; and <u>a second side edge</u> that is integral with a second end of the front edge, wherein the front edge, first side edge, and second side edge define a segment of a circumference of the shell, the bottom portion containing a pair of <u>earholes</u> on respective sides of the bottom portion, each positioned rearwardly of the respective first and second side edges, wherein a front portion of the central channel is at the front edge,</p> <p><i>wherein the raised central channel defines a depression in the inner side of the shell with respect to the other portions of the inner side of the shell, the depression in the</i></p>
 <p style="text-align: center;"><b>Side View</b></p>	
	

<b>Riddell Speed - '366 Patent, Claim 14</b>	
<b>Front View</b>	<i>inner side of the shell within the raised central channel containing shock absorbing material.</i> <div data-bbox="1052 436 1416 682" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> Inspection of the accused Defendant's football helmets confirms the presence of the claim limitations italicized above. </div>
 <div data-bbox="691 478 1044 573" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> Shock Absorbing Material </div>	
<b>Front View</b>	

104. Defendant's infringement of the '366 patent is willful and deliberate and entitles Plaintiffs to increased damages pursuant to 35 U.S.C. § 284 and to attorneys' fees and costs incurred in prosecuting this action pursuant to 35 U.S.C. § 285. Defendant had prior knowledge of the '366 patent as discussed above. Nevertheless, Defendant has infringed and continues to infringe the '366 patent despite an objectively high likelihood that its actions constituted infringement.

105. Plaintiffs have been injured and damaged by Defendant's infringement of the '366 patent. Defendant's infringement has caused, and will continue to cause, irreparable harm to Plaintiffs, for which Plaintiffs have no adequate remedies at law, unless and until enjoined by this Court.

### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs pray for entry of a judgment in their favor and against Defendant as follows:

A. Declaring that Defendant has infringed one or more claims of the '755 patent, '014 patent, and '366 patent, and such infringement has been willful;

B. Defendant, its officers, directors, employees, agents, subsidiaries, licensees, servants, successors and assigns, and any and all persons acting in privity or in concert or participation with Defendant, be preliminarily and permanently enjoined from further infringement of the '755 patent, '014 patent, and '366 patent under 35 U.S.C. § 283;

C. Plaintiffs be awarded all damages adequate to compensate Plaintiffs for Defendant's infringement of the '755 patent, '014 patent, and '366 patent, and such damages be trebled under 35 U.S.C. § 284 and awarded to Plaintiffs, with pre- and post-judgment interest;

D. This case be adjudged an exceptional case under 35 U.S.C. § 285, and Plaintiffs be awarded attorneys' fees, costs, and all expenses incurred in this action;

E. Plaintiffs be awarded all actual and compensatory damages; and

F. Plaintiffs be awarded such other and further relief as the Court deems just and proper.

### **JURY DEMAND**

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs demand a trial by jury on all issues triable by jury.

Dated: June 8, 2017

SIEBMAN, BURG, PHILLIPS & SMITH, LLP

By /s/Michael C. Smith

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*Attorneys for Plaintiffs*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM-ECF system per Local Rule CV-5(a)(3) on June 8, 2017. Any other counsel of record will be served by overnight delivery or first class mail this same date.

/s/ Michael C. Smith

Michael C. Smith