COMPLAINT

Plaintiff Evolusion Concepts, Inc., d.b.a., AR Maglock (hereinafter, "AR Maglock" or "Plaintiff") hereby complains of Defendants Darin Prince (hereinafter, "Prince") and North County Shooting Center, Inc., d.b.a., North County Firearms (hereinafter, "NC Firearms") (collectively, "Defendants") and alleges as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement under the patent laws of the United States, 35 U.S.C. § 271, *et seq.* and related state and common law causes of action.

THE PARTIES

- 2. Evolution Concepts, Inc. is a California corporation with its principal place of business located at 1658 Law Street, San Diego, CA 92109.
- 3. AR Maglock is informed and believes and based thereon alleges that Prince is a California resident and owner and operator of www.bulletbutton.com ("Bullet Button") with its principal place of business located at 5256 Mission Road #703/710, Bonsall, CA 92003.
- 4. AR Maglock is informed and believes and based thereon alleges that NC Firearms is a California Corporation with its principal place of business located at 120 N. Pacific St. Suite #C1, San Marcos, CA 92069. NC Firearms is owned by Stanley Tuma and Prince. According to NC Firearm's latest Statement of Incorporation filed on March 16, 2016, NC Firearm's President is Stanley Tuma and has Directors of Cheryl Prince, Darin Tuma, Stanley Tuma, and Diane Prince-Tuma. Each Director and the President share the listed address of 960 Canterbury Place, Suite 110, Escondido, CA 92025.
- 5. AR Maglock is ignorant of the true names and capacities of the parties sued herein as DOES 1 through 10, inclusive, whether individual, corporate or otherwise, and therefore sues these defendants by such fictitious names. AR Maglock will seek leave to amend the complaint to assert their true names and capacities when they have been ascertained. AR Maglock is informed and believes

and based thereon alleges that all defendants sued herein as DOES 1 through 10 are in some manner responsible for the acts and omissions alleged herein.

JURISDICTION AND VENUE

- 6. This Court has original and exclusive subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a) because AR Maglock's claims for patent infringement arise under 35 U.S.C. § 271. This Court has supplemental jurisdiction over AR Maglock's state and common law claims under 28 U.S.C. § 1367(a) because the state and common law claims are so related to the federal claims that they form part of the same case or controversy and derive from a common nucleus of operative facts.
- 7. This Court has personal jurisdiction over the Defendants because they reside, have their principal place of business, or are incorporated in this District and have a continuous, systematic and substantial presence in this District, because they regularly conduct business and/or solicit business within this District, because they have committed and continue to commit patent infringement in this District, including, without limitation, by selling and offering for sale infringing products to consumers in this District and by purposefully directing activities at residents of this District, and by placing infringing products into the stream of commerce with the knowledge that such products would be sold in California and this District, which acts form a substantial part of the events giving rise to AR Maglock's claims.
- 8. Venue is proper in this District under 28 U.S.C. §§ 1391 and 1400(b) because the Defendants reside, have their principal place of business, or are incorporated in this District and have a continuous, systematic and substantial presence in this District, because they regularly conduct business and/or solicit business within this District, because they have committed and continue to commit patent infringement in this District, including, without limitation, by selling and offering for sale infringing products to consumers and/or retailers in this District and by purposefully directing activities at residents of this District, and by placing

infringing products into the stream of commerce with the knowledge that such products would be sold in California and this District, which acts form a substantial part of the events giving rise to AR Maglock's claims. In addition, venue is proper because Prince and AR Maglock's principal place of business is in this District and AR Maglock suffered harm in this District. All pertinent witnesses are also located in this District.

GENERAL ALLEGATIONS

- 9. AR Maglock designs and sells, among other innovative products, the patented AR Maglock device. The AR Maglock device allows firearm enthusiasts to use and enjoy Armalite Rifle-style rifles without the rifle falling within California's definition of an "assault weapon." Armalite Rifle-style rifles are commonly referred to as Modern Sporting Rifles ("MSRs"). MSRs include the ubiquitous AR-15- and AR-10-type rifles. Some estimates predict there are approximately 10 million MSRs owned by Californians and as many as 50 million owned nation-wide. Courtney Harris ("Harris"), President of AR Maglock, co-invented the AR Maglock device in 2013. The AR Maglock device prevents the MSR on which it is installed from becoming an "assault weapon" under California law by forcing the user to disassemble the rifle's action prior to removinge the magazine. Otherwise, under California Penal Code section 12280, possession of an MSR that falls within California's definition of "assault weapon" is a felony.
- 10. In 2016, California voters passed legislation changing California's definition of an "assault weapon." Under current California law, an "assault weapon" is defined as a semiautomatic, centerfire rifle that does not have a fixed magazine, and has any one of the following: a pistol grip that protrudes conspicuously beneath the action of the weapon, a thumbhole stock, a folding or telescoping stock, a grenade launcher or flare launcher, a flash suppressor, or a forward pistol grip. Cal. Penal Code § 30515(a). As pertinent here, California recently expanded the Penal Code to specifically define how a magazine is to be

27

28

fixed to the firearm such that it does not qualify as an "assault weapon." Under California's new law, a "fixed magazine" is an ammunition feeding device contained in, or permanently attached to, a firearm in such a manner that the device cannot be removed without disassembly of the firearm action. Cal. Penal Code § 30515(b). Conceptually, the AR Maglock device legally fixes a magazine to a rifle, thereby keeping the rifle out of the purview of "assault weapons."

- 11. AR Maglock manufactures and sells its patented AR Maglock device directly to consumers through its website, https://www.armaglock2.com, to various distributors, various retail outlets, and to original equipment manufacturers. Over the past three years, AR Maglock has generated significant revenue from marketing and selling its patented AR Maglock device, and is able to meet all demand in the United States for sales usurped by Defendants' infringing products. Because California's recent change to its "assault weapon" law, AR Maglock initially targeted consumers in California. However, since other states such as Connecticut, Hawaii, Maryland, Massachusetts, New Jersey, and New York have passed, or are in the process of passing, laws similar to California's "assault weapon" law, AR Maglock also targets and sells to consumers in those states. In addition, AR Maglock sells its products to citizens and residents in other states so that the MSRs can be converted and taken to states having laws similar to those of California. Given the legislative climate in other states, the demand for the AR Maglock will dramatically increase.
- 12. On June 24, 2014, the United States Patent & Trademark Office ("PTO") duly and lawfully issued United States Patent No. 8,756,845, entitled "Method and Device for Converting Firearm with Detachable Magazine to a Firearm with Fixed Magazine" ("the '845 patent"). A copy of the '845 patent is attached hereto as Exhibit A. The '845 patent issued from United States Patent Application No. 13/803,966 (hereinafter, the "Maglock patent application"), which was filed on March 14, 2013. The Maglock patent application was published on

- importing a number of magazine release products that infringe the '845 patent, including, without limitation to, Prince's "AR-15 Patriot Mag Release," "AR-15 Patriot Mag Release Kit w/ Extended Takedown Pin," "AR-10 Patriot Mag Release," "AR-10 Patriot Mag Release Kit w/ Extended Takedown Pin," "Colt 901 LE Patriot Mag Release," "Colt 901 LE Patriot Mag Release Kit," "Daniel Defense DD5 Patriot Mag Release," "Kel-Tec Sub 2000 Gen 2 Patriot Mag Release," "Sig Sauer 556 Patriot Mag Release," "Sig Sauer MPX & MCX / Lancer Patriot Mag Release," "Sig Sauer MPX & MCX / Lancer Patriot Mag Release," "Smith & Wesson M&P Patriot Mag Release," "Tactical Chipmunk AR-15 Snap Lock CA AR-15 Compliance Device," "UTAS XTR-12 Patriot Mag Release," and "UTAS XTR-12 Patriot Mag Release Kit" (collectively, the "Accused Products"). The Accused Products may be purchased directly from Prince online through his respective website (http://www.bulletbutton.com) and third-party websites, and from various retailers in this District.
- 14. NC Firearms states that it is "the proud home of the BULLET BUTTON." Prince holds himself out as one of the principal owners of NC Firearms.²
 - 15. On July 22, 2015, or shortly thereafter, Defendants received actual

¹ This statement is displayed on NC Firearm's website underneath a picture containing a link to www.bulletbutton.com. Available at http://www.northcountyfirearms.com.

² See video titled, "North County Shooting Center | Groundbreaking Ceremony," available at https://www.youtube.com/watch?v=4DF3fveCXrY, published on June 7, 2017. (Prince states, "my name is Darin Prince, my business partner, Stan Tuma, we are the two principal owners of this project, both of the gun shop and the range").

3

8

11

12 13

14

15 16

17 18

19 20

21 22

23 24

25 26

27

28

notice of the Maglock published patent application.

- On July 6, 2016, via electronic and First Class United States Mail, AR 16. Maglock informed Prince of the Maglock patent, AR Maglock's patent rights, and Prince's infringement liability. A copy of the letter is attached as Exhibit D.
- On or about September 20, 2016, AR Maglock opened negotiations 17. with Prince to license the AR Maglock patent to Prince. AR Maglock conducted the negotiations in good-faith, desiring an expeditious resolution to Prince's continued infringement. Initially, Prince appeared to conduct the negotiations in good faith. However, the negotiations fell apart when Prince refused to provide any actual sales figures pertaining to the Accused Products.
- 18. On or about October 16, 2017, Harris received a message from a customer via AR Maglock's Facebook page. In the message, the customer stated, "North County Firearms in (San Marcos) San Diego says your 'AR-15 Fixed Magazine Lock & Release Kit' is illegal because once it's installed it can be taken apart (The bolt) with a pair of Leather-man needle nose pliers and then return it back to a standard mag release button in under 3 minutes. Is North County Firearms trying to out sell you with there [sic] epoxy filled bolt head system? So is it true?" A screenshot of the message is attached hereto as Exhibit E.

FIRST CLAIM FOR RELIEF

(Infringement of U.S. Patent No. 9,383,630 by All Defendants) (35 U.S.C. §§ 154 and 271)

- AR Maglock repeats, realleges, and incorporates by reference the 19. preceding allegations above as though set forth fully herein.
- This claim is for patent infringement arising under the Patent Laws of 20. the United States, Title 35.
- Since June of 2014, AR Maglock has and continues to mark the AR 21. Maglock device to include "U.S. Patent 8,756,845 B2" or the like on its packaging and on its website. Since its inception, "patent pending" has appeared on AR

8

14

13

15 16

17 18

19

20 21

22 23

24 25

26 27

28

Maglock's website and packaging up until around the issue date of the '845 patent when the website was revised to note "US Patent #: 8,756,845" in connection with the AR Maglock device. See, e.g., https://www.armaglock2.com.

- 22. The Defendants, by and through their agents, officers, directors, resellers, retailers, employees and servants, have been and are currently infringing the '845 patent by making, using, offering to sell, selling, exporting, and/or importing into the United States the Accused Products, which embody one or more claims set forth in the '845 patent.
- 23. For example, the accused AR-15 Patriot Mag Release product meets all the limitations set forth in claim 8 of the '845 patent. A chart identifying specifically where each limitation of claim 8 is found in the AR-15 Patriot Mag Release is attached hereto as Exhibit F. This infringement chart is based on AR Maglock's current understanding of the AR-15 Patriot Mag Release, which only considers publicly available information. The chart does not set forth all of AR Maglock's infringement theories – the AR-15 Patriot Mag Release embodies other claims set forth in the '845 patent. The AR-15 Patriot Mag Release is a representative of all the Accused Products, each having all the limitations recited in claim 8. The chart analyzes the AR-15 Patriot Mag Release as an exemplary iteration of the Accused Products. A chart of the Accused Products currently sold by the Defendants through their website that infringe the '845 patent is attached hereto as Exhibit G.
- In addition, Defendants, their distributors, and their customers who 24. purchase an Accused Product infringe claim 15 of the '845 patent by performing the claimed method. Defendants provide installation instructions, available in print and as a video³, for the Accused Products. A chart identifying specifically where each limitation of claim 15 is found in Prince's publications and products is

³ On his website, Prince provides two videos wherein Prince shows and describes the installation and functionality of the AR-15 Patriot Mag Release. See http://www.bulletbutton.com/category-s/101.htm. See also https://www.youtube.com/watch?v=919EU284PII; https://www.youtube.com/watch?v=-fdV96d91LI.

9

7

11 12

10

13 14

15 16

17

18 19

20 21

22 23

25

24

26

27 28 attached hereto as Exhibit H. A copy of Prince's installation instructions is attached hereto as Exhibit I. The chart does not set forth all of AR Maglock's infringement theories – the AR-15 Patriot Mag Release embodies other claims set forth in the '845 patent.

- 25. AR Maglock is informed and believes that NC Firearms sells complete firearms having one or more of the accused products. By installing the accused product on the firearm, NC Firearms infringe each limitation of claim 15.
- By way of their installation instructions, Defendants induce their 26. customers to infringe the '845 patent.
- Furthermore, the accused AR-15 Patriot Mag Release, when installed 27. on an AR-15-type rifle, its intended use, meets all the limitations set forth in claim 1 of the '845 patent. A chart identifying specifically where each limitation of claim 1 is found in Prince's AR-15 Patriot Mag Release as installed on an AR-15-type rifle is attached hereto as Exhibit J. The chart does not set forth all of AR Maglock's infringement theories – the AR-15 Patriot Mag Release embodies other claims set forth in the '845 patent.
- Defendants and their customers directly infringe claim 1 of the '845 28. patent after installing an Accused Product on a respective firearm. Each Accused Product has no substantial, non-infringing use and constitutes a material part of the firearm defined in claim 1 of the '845 patent. Defendants were and are aware of that the combination of an Accused Product with a respective firearm infringes claim 1 of the '845 patent.
- AR Maglock reserves the right to amend or supplement its 29. infringement theories upon more information becoming available through formal discovery and/or this Court completing its claim construction proceedings. Pursuant to CivLR 3.1, AR Maglock will serve a Disclosure of Asserted Claims and Infringement Contentions (that may alter and/or supplement the infringement charts submitted herewith).

- 30. One or more of the Accused Products embody one or more claims set forth in the Maglock published patent application. The invention claimed in the '845 patent is identical to the invention claimed in the Maglock published patent application. For example, claims 1, 8, and 15 of the '845 patent are identical to those in the Maglock published patent application. Pursuant to 35 U.S.C. § 154(d) and by reason of the Defendants' pre-issuance infringing acts, AR Maglock is entitled to at least a reasonable royalty for Prince's infringing activities occurring between October 17, 2013, and the issue date of the '845 patent, *i.e.*, June 24, 2014.
- 31. The Defendants' acts of infringement were undertaken without permission or license from AR Maglock. After receiving actual notice of the Maglock patent and/or the Maglock published patent application, the Defendants continued their commercialization of the Accused Products despite an objectively high likelihood that his actions constituted infringement of a valid patent (or soon-to-be-issued patent) and/or AR Maglock's provisional patent rights under the Maglock's published patent application. Accordingly, the Defendants' acts constitute willful infringement in violation of 35 U.S.C. § 271.
- 32. AR Maglock is informed and believes and based thereon alleges that the Defendants' infringement of the '845 patent will continue unless enjoined by this Court.
- 33. Sales of the Accused Products drive sales of other products of the Defendants including, but not limited to Prince's AR Rapid Release, Prince50 AR-15 / AR-10 Bullet Button Wonder Wrench, Extended AR-10 Rear Takedown Pin w/ Paracord, Extended AR-15 Rear Takedown Pin, Extended AR-15 Rear Takedown Pin w/ Paracord, Standard AR-15 Magazine Release, FN PS90 Muzzle Extension, FN SCAR Stock Stopper, IWI Tavor Extended Flash Hider, Kel-Tec RFB Muzzle Break, Left-Handed Ambi Magazine Release, and Patriot Mag Release Disc (collectively, the "Collateral Products"). The Collateral Products are sold and marketed together with the Accused Products. Many, if not all, of the

///

Collateral Products form a single assembly, functional unit, or operate in conjunction with one or more of the Accused Products. The Collateral Products also have a marketing and financial dependence on the Accused Products. AR Maglock is entitled to its lost profits or a reasonably royalty on the Defendants' sales of the Collateral Products.

- 34. The Collateral Products also include MSRs on which the Defendants install one or more of the Accused Devices, allowing the MSR to be sold in California. Without the Accused Devices, the MSRs sold at NC Firearms could not be legally sold in California. Therefore, MSRs sold by NC Firearms having one the of the Accused Devices, have marketing and financial dependence on the Accused Products. AR Maglock is entitled to its lost profits or a reasonable royalty on NC Firearms' sale of Collateral Products.
- 35. But for the Defendants' infringement, AR Maglock would have sold its AR Maglock device and other unpatented products (*e.g.*, Patriot-Pin and AR Tether) to all of the Defendants' customers, and AR Maglock is entitled to its lost profits.
- 36. By reason of the foregoing infringing acts, AR Maglock has been damaged, continues to be damaged, and is entitled to no less than a reasonable royalty in accordance with 35 U.S.C. § 284 in an amount to be determined at trial. In addition, pursuant to 35 U.S.C. § 284, AR Maglock is entitled to enhanced and treble damages against Prince together with interest at the maximum legal rate and costs as fixed by the Court.
- 37. In addition, AR Maglock is entitled to reasonable attorneys' fees incurred in this action under 35 U.S.C. § 285.
- 38. Because of the aforesaid infringing acts, AR Maglock has suffered and continues to suffer great and irreparable injury for which there is no adequate remedy at law.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

SECOND CLAIM FOR RELIEF

(Common Law Unfair Competition Against NC Firearms)

- 39. AR Maglock realleges and incorporates by reference the foregoing allegations as though set forth fully herein.
 - 40. This claim is for unfair competition under California common law.
- 41. The acts of the Defendants alleged herein, including falsely telling customers that the AR Maglock is illegal under current California law, thereby directing would-be customers away from the AR Maglock device and toward the Accused Products for the purpose of increasing sales and profits, constitute unlawful, unfair, and fraudulent business practices in violation of California common law.
- The AR Maglock device conforms to current California law. 42. According to the California Department of Justice's most recent proposed regulations, a "fixed magazine' means an ammunition feeding device contained in, or permanently attached to, a firearm in such a manner that the device cannot be removed without disassembly of the firearm action." See Office of Administrative Law File No. Z-2017-1114-01, Initial Statement of Reasons, pg. 2-3, a copy of which is attached hereto as Exhibit K. Further, "[d]isassembly of the firearm action' means the fire control assembly is detached form the action in such a way that the action has been interrupted and will not function. For example, disassembling the action on a two part receiver, like that on an AR-15 style firearm, would require the rear take down pin to be removed, the upper receiver lifted upwards and away from the lower receiver using the front pivot pin as the fulcrum, before the magazine may be removed." The AR Maglock's innovative design meets these requirements by forcing the user to disassemble their MSR's action before the magazine can be released.
- 43. As a direct and proximate result of the aforesaid deceptive business practices, AR Maglock has and will continue to suffer great harm and damage. AR

Maglock has incurred and will continue to incur irreparable harm unless the Defendants are enjoined from further commission of unfair and unlawful business acts and practices.

44. As a result of the Defendants' misconduct, AR Maglock has been damaged in an amount subject to proof at trial. At a minimum, however, AR Maglock is entitled to injunctive relief and an accounting of the Defendants' profits. Further, in light of the deliberately malicious misstatements of law and unauthorized practice of law, AR Maglock is also entitled to punitive and exemplary damages.

THIRD CLAIM FOR RELIEF

(Statutory Unfair Competition Against NC Firearms)
(Cal. Bus. & Prof. Code § 17200 et seq.)

- 45. AR Maglock realleges and incorporates by reference the foregoing allegations as though set forth fully herein.
- 46. This claim is for statutory unfair competition in violation of California Business & Professions Code § 17200 *et seq*.
- 47. The acts of the Defendants alleged herein, including falsely telling customers that the AR Maglock is "illegal" in light of the California's new "assault weapon" law, thereby directing AR Maglock's would-be customers to the Accused Products for the purposes of increasing sales and profits, constitute unlawful, unfair, and fraudulent business practices in violation of California Business & Professions Code § 17200 *et seq*.
- 48. As a direct and proximate result of the aforesaid deceptive business practices, AR Maglock has and will continue to suffer great harm and damage. AR Maglock has incurred and will continue to incur irreparable harm unless the Defendants are enjoined from further commission of unfair and unlawful business acts and practices.
 - 49. AR Maglock is informed and believes and based thereon alleges that

by virtue of the Defendants' acts of unfair competition in violation of California Bus. & Prof. Code § 17200 *et seq.*, the Defendants have derived and continues to derive gains, profits and advantages in an amount subject to proof at trial, but in excess of the jurisdictional requirement of the Court.

50. Due to the Defendants' acts constituting unfair competition, AR Maglock has suffered and continues to suffer great and irreparably injury for which there is no adequate remedy at law. AR Maglock is entitled to injunctive relief, restitution, and disgorgement of the Defendants' ill-gotten gains, including the Defendants' profits, and to recover AR Maglock's damages, costs, and reasonable attorneys' fees.

PRAYER FOR RELIEF

WHEREFORE, AR Maglock prays for judgment against the Defendants as follows:

- (a) an Order adjudging the Defendants to have infringed the '845 patent under 35 U.S.C. § 271;
- (b) an Order adjudging the Defendants to have willfully infringed the '845 patent under 35 U.S.C. § 271;
- (c) an Order adjudging the Defendants to have committed unfair competition;
- (d) an Order adjudging the Defendants to have committed unfair competition in violation of Cal. Bus. & Prof. Code § 17200 et seq.;
- (e) a preliminary injunction enjoining the Defendants, their officers, directors, agents, servants, resellers, retailers, employees and attorneys, and those persons acting in concert or participation with them, from making, using, selling, offering for sale, and importing the Accused Products until a trial on the merits has been completed;
- (f) a permanent injunction under 35 U.S.C. § 283 enjoining the Defendants, their officers, directors, agents, servants, resellers, retailers, employees

and attorneys, and those persons acting in concert or participation with them, from infringing the '845 patent in violation of 35 U.S.C. § 271;

- (g) a permanent injunction enjoining the Defendants, their officers, directors, agents, servants, resellers, retailers, employees and attorneys, and those persons acting in concert or participation with them, from making, using, selling, offering for sale, and importing the Accused Products;
- (h) a permanent injunction enjoining the Defendants, their officers, directors, agents, servants, resellers, retailers, employees and attorneys, and those persons acting in concert or participation with them, from making false statements about the legality of Plaintiff's AR Maglock device;
- (i) an accounting of all gains, profits, and advantages the Defendants derived by their infringement of the '845 patent, and for damages adequate to compensate AR Maglock for such infringement of the '845 patent;
- (j) an award to AR Maglock of its lost profits or a reasonably royalty for the Defendants' sales of the Accused Products and Collateral Products;
- (k) an award to AR Maglock of its actual damages due to the Defendants' unfair competition;
- (l) an order for a trebling of damages and/or enhanced damages due to the Defendants' willful infringement under 35 U.S.C. § 284;
- (m) compensatory, punitive, and exemplary damages against the Defendants;
 - (n) an Order adjudicating that this is an exceptional case;
- (o) an award to AR Maglock of all attorneys' fees and costs incurred by AR Maglock in connection with this action under 35 U.S.C. § 285;
- (p) an award of pre-judgment and post-judgment interest and costs of this action against the Defendants; and
 - (q) For such other and further relief as the Court deems just and proper.

1	Dated: January 5, 2018	SAN DIEGO IP LAW GROUP LLP
2		
3		By: /s/ Donny Samporna DONNY SAMPORNA
4		CODY LEJEUNE TREVOR Q. CODDINGTON, PH.D.
5		
6		Attorneys for Plaintiff, EVOLUSION CONCEPTS, INC.
7		
8		
9		
10		
11		
12 13		
13		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		-15-
		COMPLAINT

DEMAND FOR JURY TRIAL Pursuant to Rule 38 of the Federal Rules of Civil Procedure, AR Maglock hereby demands a trial by jury of all issues so triable. Dated: January 5, 2018 SAN DIEGO IP LAW GROUP LLP By: /s/ Donny Samporna
TREVOR Q. CODDINGTON, PH.D.
CODY R. LEJEUNE
DONNY K. SAMPORNA Attorneys for Plaintiff, EVOLUSION CONCEPTS, INC. -16-

COMPLAINT