

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
GREEN BAY DIVISION

GREAT NORTHERN CORPORATION,
395 Stroebe Road
Appleton, Wisconsin 54914

Plaintiff,

v.

Case No: 18-CV-645

TIMELY INVENTIONS, LLC,
A Delaware Limited Liability Company
c/o Registered Agent SunDoc Filings
3500 S. Dupont Highway
Dover, Delaware 19901

Defendant.

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff, Great Northern Corporation, through its attorneys, DeWitt Ross & Stevens, S.C.,
alleges:

PARTIES

1. Plaintiff Great Northern Corporation (“GNC”) is a Wisconsin corporation with its principal place of business at 395 Stroebe Road, Appleton, Wisconsin.

2. Defendant, Timely Inventions, LLC (“Timely Inventions”) is a Delaware limited liability company with its principal place of business at Dover, Delaware. Timely Inventions has a registered agent at SunDoc Filings, 3500 S. Dupont Highway, Dover, Delaware, 19901.

JURISDICTION AND VENUE

3. This is a civil action arising under the Patent Laws of the United States, 35 U.S.C.A. §§ 100 et seq., seeking a declaratory judgment that no valid and enforceable claim of U.S. Patent No. 7,861,865 (“the ‘865 Patent”) owned by Timely Inventions is infringed by GNC, and that the

claims of the '865 Patent are invalid for failure to meet the requirements of the Patent Act, 35 U.S.C. § 1 et seq., including, but not limited to, 35 U.S.C. §§ 101, 102, 103, 112 and 132.

4. This court has subject matter jurisdiction under the Declaratory Judgment Act, 28 U.S.C.A. §§ 2201, 2202 and under 28 U.S.C.A. §§ 1331, 1338(a) and 35 U.S.C.A. § 282.

5. Venue is proper in this forum pursuant to 28 U.S.C.A. § 1391(b) and (c), and the applicable law of this Court. Venue is proper in the Eastern District of Wisconsin given the fact that Defendant Timely Inventions has, upon information and belief, engaged in commerce within this jurisdiction and continues to have substantial contacts with this forum.

6. This court has personal jurisdiction over Defendant because, on information and belief, Defendant has purposefully directed its activities at residents of this District; has had continuous and systematic contacts with the residents of this District; and has conducted, and is conducting, business with residents of this District, such business having an effect in this District. Defendant regularly conducts substantial business in this District and has voluntarily availed itself of the laws and regulations of this District.

CASE OR CONTROVERSY

7. There is an immediate, actual, and justiciable controversy between GNC and Timely Inventions within the jurisdiction of this court under 28 U.S.C.A. §§ 2201 and 2202, pertaining to United States Patent No. 7,861,865.

FACTUAL BACKGROUND

8. Timely Inventions is an owner of U.S. Patent No. 7,861,865 (“the ‘865 Patent”), which states on its face that it was issued to Inventor Jeffrie Green and assigned to Timely Inventions, LLC on January 4, 2011 and which is titled “PACKAGING ASSEMBLY.” The ‘865 Patent matured from U.S. patent application Serial No. 12/336,345, filed December 16, 2008. This

patent application does not claim priority to any earlier-filed patent application. A true and correct copy of the '865 Patent is attached to this Complaint as **Exhibit A**.

9. On December 31, 2007, Timely Inventions filed a trademark application for the mark "BUTTERFLY PALLET SHROUD" for use in conjunction with "cardboard floor display units for merchandising products." A true and complete copy of Timely Inventions' trademark application for "BUTTERFLY PALLET SHROUD" is attached hereto as **Exhibit B** (the "Trademark Application").

10. The Trademark Application was filed on behalf of Timely Inventions by attorney Susan Hwang of the law firm Sheppard, Mullin, Richter & Hampton LLP.

11. The Trademark Application stated that the listed goods had been used in commerce "at least as early as November 28, 2007."

12. On April 9, 2008, the Trademark Examiner in charge of the Trademark Application rejected the application on a number of grounds and issued a request for more information about the nature of the recited goods. A true and correct copy of the full Office Action regarding the Trademark Application is attached hereto as **Exhibit C**.

13. On October 9, 2008, in response to the Trademark Examiner's request for information, Timely Inventions submitted an instruction sheet describing the listed goods. A true and correct copy of Plaintiff's October 9, 2008 response to the Trademark Examiner is attached as **Exhibit D** (the "Trademark Response").

14. The Trademark Response states that Timely Inventions used the goods described in the Trademark Application at least as early as November 28, 2007.

15. On December 16, 2008, Timely Inventions filed patent application Serial No. 12/336,345 (the "Patent Application").

16. The Patent Application was prosecuted by attorney Susan Hwang of the law firm Sheppard, Mullin, Richter, & Hampton LLP.

17. The Patent Application file includes two substantive responses to the Patent Examiner, an Information Disclosure Statement, and a Notice of Allowance, all signed by attorney Susan Hwang. True and correct copies of the response to the first office action, the response to the second office action, the Information Disclosure Statement, and the signed Notice of Allowance, respectively, from the Patent Application are attached as **Exhibits E, F, G, and H**.

18. The '865 Patent states on its face that it was issued on January 4, 2011.

19. The '865 Patent contains 19 Claims.

20. On September 9, 2011, Joseph Baksha, through counsel at Lathrop & Gage LLP, filed a Request for Ex Parte Reexamination Under 37 C.F.R. 1.510 ("Request for Reexamination") regarding the '865 Patent with the USPTO. The Request for Reexamination was designated No. 90/011,895. A true and correct copy of the Request for Reexamination is attached hereto as **Exhibit I**.

21. The Request for Reexamination No. 90/011,895 was served on counsel for Timely Inventions on September 9, 2011.

22. The Request for Reexamination states that ex parte reexamination of the '865 Patent is necessary because the Requester identified prior art references that raise substantial new questions of patentability with respect to all of the issued claims.

23. The Request for Reexamination further states that the '865 Patent is considered to be unpatentable under 35 U.S.C. § 102(b) because they are anticipated by the 464 packaging assembly drawing (the "464 Drawing") that was prepared by One Source Industries, LLC, on or about July 15, 2004.

24. The Request for Reexamination is supported by the Affidavit of Anita M. Alvarez (“Alvarez Affidavit”) (Exhibit I, pp. 17-25).

25. In her Affidavit, Anita M. Alvarez attested that she was the National Sales Account Manager for One Source Industries, LLC on August 31, 2011 and had worked for One Source for the prior eleven years. (Exhibit I, p. 18, ¶ 2).

26. Ms. Alvarez attested in her Affidavit that in June 2004, One Source Industries, LLC of 15215 Alton Parkway, Suite 100, Irvine, California, 92618 designed and sold a packaging assembly (the “Holiday Pallet Display”) based on the 464 Drawing. (Exhibit I, p. 19).

27. The 464 Drawing is attached to the Alvarez Affidavit as Exhibit A. (Exhibit I, p. 21).

28. The Alvarez Affidavit includes a photograph of a pallet assembly constructed in accordance to the specifications of the 464 Drawing as Exhibit B of the Affidavit. (Exhibit I, p. 22).

29. The Alvarez Affidavit includes an order from Kenneth Cole Productions, Inc. to One Source Industries, LLC for 2,310 Holiday Pallet Displays at a total cost of \$143,127.60 as Exhibit C. (Exhibit I, p. 23).

30. The Alvarez Affidavit states that One Source Industries, LLC shipped a total of 2,310 Holiday Pallet Displays of the design depicted in Exhibits A and B to the Affidavit to Sam’s Club Distribution Centers across the United States beginning on October 22, 2004 through November 12, 2004. (Exhibit I, p. 19).

31. The 464 Drawing and the Holiday Pallet Displays described in the Request for Reexamination and in the Alvarez Affidavit were not considered during prosecution of the ‘865 Patent.

32. The U.S. Patent and Trademark Office denied the Request for Reexamination No. 90/011,895 because reexaminations are limited to “printed publications” and did not consider the drawing attached to the Alvarez Affidavit to be a publication. A true and correct of the Office Action denying Request for Reexamination No. 90/011,895 is attached hereto as **Exhibit J**.

33. As early as November 19, 2007, Allpak Container Inc. (“Allpak”) of 1100 South West 27th Street, Renton, Washington, 98055 began developing a packaging assembly for its customer Phillips for shipment of products to Costco. True and correct copies of Allpak drawings of packaging assembly components and an in-store guide showing use of the assembly are attached hereto as **Exhibit K**.

34. The Allpak drawings for the packaging assembly Allpak provided to Phillips contain each of the elements listed in Claims 1-19 of the ‘865 Patent.

35. GNC manufactures COMMAND packaging assembly, which it sells to customers across the United States.

36. 3M Company (“3M”), a Delaware Corporation, is a customer of GNC that has purchased COMMAND packaging assembly from GNC.

37. 3M distributes and offers for sale GNC’s COMMAND packaging assembly across the United States.

38. GNC and 3M entered into a Master Supply Agreement on or about March 1, 2015. A true and correct copy of the Master Supply Agreement between GNC and 3M is attached hereto as **Exhibit L**.

39. Section Eight (8) of the Master Supply Agreement between GNC and 3M states, in relevant part:

8. WARRANTIES.

Seller expressly warrants that (a) the Products will be free from any encumbrance or any defect in design, materials, manufacture and workmanship and be manufactured in accordance with the Quality Agreement; (b) the Product Services will be free from any encumbrance or any defect in manufacture and workmanship; (c) the Products and/or Product Services will conform strictly to the Specifications; and (d) each Product and Product Service will not infringe any intellectual property rights of any third party.

40. Pursuant to Section 10.2 of the Master Supply Agreement between GNC and 3M states, GNC is expressly obligated to indemnify 3M. Section 10.2 of the Master Supply Agreement states:

10.2 Seller will indemnify, defend, and hold harmless 3M, its affiliates, and their successors, assigns, officers, directors, employees and agents for, from and against any claim, liability, loss, damage, lien, judgment, duty, fine, civil penalty and cost, including attorneys' fees and litigation expenses, arising: (a) from Seller's breach of or failure to comply with any of its obligations under this Agreement and any reasonable action 3M takes regarding any such failure such as Product recall; and (b) under applicable laws as a result of the handling, packaging, labeling, storage, treatment, removal, transportation, and disposal of any waste material at Seller Site or otherwise relating to Seller's or its subcontractors' manufacture or processing of the Products, which laws include but are not limited to the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sections 9601 et seq. as amended, known as "CERCLA"), the Hazardous Materials Transportation Act (49 U.S.C. Sections 5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Sections 6901 et seq., known as "RCRA"), or any other current or future laws of similar effect. These indemnities do not affect any other 3M Entities' remedies.

41. On December 7, 2017, Timely Inventions filed a patent infringement law suit against 3M in the United States District Court for the Central District of California (Central District of California Case Number 17-CV-8853) (the "California lawsuit"), alleging that 3M's pallet packaging infringed at least claim 1 of the '865 Patent. A true and correct copy of the complaint filed in Central District of California Case Number 17-CV-8853 is attached hereto as **Exhibit M**.

42. Timely Inventions alleges in the California lawsuit that 3M has infringed and continues to infringe the '865 Patent by manufacturing, making, using, offering for sale, and/or

selling within the United States certain products which embody, or in combination embody, one or more claims of the '865 Patent. See Exhibit M, ¶ 9.

43. Further, Timely Inventions alleges, on information and belief, that 3M's COMMAND packaging assembly which 3M sells through Costco, and all reasonably similar products, meet all of the limitations of at least claim 1 of the '865 Patent (the "Accused Products").

44. Timely Inventions attached a representative and preliminary infringement claim chart for claim 1 of the '865 Patent and the Accused Products as Exhibit B to its Complaint in the California lawsuit.

45. Counsel for Timely Inventions has demanded to know the identity of 3M's suppliers of the allegedly infringing product(s).

46. On information and belief, Timely Inventions wants to know the identity of 3M's suppliers of the allegedly infringing goods so that Timely Inventions may assert claims against 3M's suppliers.

47. GNC asserts that the products that it manufactures and sells to its customers do not infringe any valid claim of the '865 Patent, and that GNC and its customers should be free to make, use, sell, offer to sell, and import the products accused of infringement by Timely Inventions.

48. Based on the patent infringement lawsuit Timely Inventions filed against GNC's customer, 3M, Timely Inventions' threats to file a lawsuit against at least one additional customer of GNC, the multiple other lawsuits Timely Inventions has filed in the last five months in the Central District of California based on the '865 Patent, and the repeated demands from Timely Inventions' counsel that 3M reveal the identity of 3M's suppliers, GNC has an objectively reasonable apprehension that Timely Inventions will initiate suit against it.

COUNT ONE
(Declaratory Judgment of Noninfringement of the '865 Patent)

49. GNC realleges and incorporates by reference the allegations contained in paragraphs 1 through 48 of this Complaint as though fully set forth herein.

50. There is an actual and justiciable controversy between the parties arising under the Patent Act, 35 U.S.C. § 1 et seq. concerning GNC's noninfringement of and/or non-inducement or non-contribution to the infringement of the claims of the '865 Patent.

51. GNC is not infringing, and has not infringed, contributed to the infringement of, or induced the infringement of any valid and enforceable claim of the '865 Patent, either literally or under the doctrine of equivalents.

52. GNC is entitled to a judicial declaration that it has not infringed, does not infringe, and does and has not induced or contributed to the infringement of any valid, enforceable claim of the '865 Patent.

COUNT TWO
(Declaratory Judgment of Invalidity of the '865 Patent)

53. GNC realleges and incorporates by reference the allegations contained in paragraphs 1 through 52 of this Complaint as though fully set forth herein.

54. There an actual and justiciable controversy between the parties concerning the invalidity of the '865 Patent for failure to meet the requirements of the Patent Act, 35 U.S.C. § 1 et seq., including, but not limited to, 35 U.S.C. §§ 101, 102, 103, 112, and 132 and the rules and regulations pertaining thereto.

55. The claims of the '865 Patent are invalid for failure to meet the requirements of the Patent Act, 35 U.S.C. § 1 et seq., including, but not limited to, 35 U.S.C. §§ 101, 102, 103, 112 and 132 and the rules and regulations pertaining thereto.

56. GNC is entitled to a judicial declaration and order that all of the asserted claims of the '865 Patent are invalid.

57. GNC's invalidity claim chart is attached hereto as **Exhibit N**.

REQUEST FOR JURY TRIAL

58. Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, GNC hereby demands a trial by jury for all issues so triable.

REQUEST FOR RELIEF

WHEREFORE, GNC requests that this Court enter judgment in its favor and against Timely Inventions as follows:

- a. Declaring that GNC has not infringed, contributed to the infringement of, induced the infringement of, and is not presently infringing, any claims of the '865 patent;
- b. Declaring that the claims of the '865 Patent are invalid;
- c. Holding this case to be exceptional and awarding GNC its attorneys' fees under 35 U.S.C. § 285;
- d. Awarding GNC its costs pursuant to Fed. R. Civ. P. 54(d); and
- e. Granting any other relief as the Court deems just and proper.

Dated this 24th day of April, 2018.

DEWITT ROSS & STEVENS S.C.

s/ Joseph T. Leone

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