

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO

ETi SOLID STATE LIGHTING, INC.,)	CASE NO. 1:18-cv-2329
)	
Plaintiff,)	JUDGE:
)	
vs.)	MAGISTRATE JUDGE:
)	
MENARD, INC.,)	COMPLAINT
)	FOR PATENT INFRINGEMENT
)	
Defendant.)	JURY TRIAL DEMAND
)	ENDORSED HEREON

Plaintiff, ETi Solid State Lighting, Inc. (“ETi”), alleges as follows for its Complaint against Defendant, Menard, Inc. (“Menard” or “Menards”).

NATURE OF ACTION

1. This is an action for patent infringement under the patent laws of the United States, 35 U.S.C. §§ 271, *et seq.*, to enjoin infringement and obtain damages resulting from Menard’s unauthorized and ongoing actions, in the State of Ohio and elsewhere, of selling and/or having sold certain lighting products that infringe on one or more claims of ETi’s U.S. Patent Nos.: 9,500,352 (the “352 Patent”) and 9,541,270 (the “270 Patent”) (collectively, the “Asserted Patents”).

2. This is an action for direct infringement. Upon information and belief, Menard sells and/or offers to sell and/or markets to sell certain lighting products including, but not limited to, flush mount LED lighting products for use with screw-in incandescent bulb sockets which infringe one or more claims of the Asserted Patents, either literally and/or under the Doctrine of Equivalents.

THE PARTIES

3. ETi is a corporation registered to conduct business within the State of Ohio, with its principal place of business at 720 Corporate Woods Parkway Vernon Hills, IL 60061, doing business in Chagrin Falls, Cuyahoga County, State of Ohio and listing its agent as Corporation Service Company which is located at 50 West Broad Street, Suite 1330, Columbus, OH 43215.

4. Upon information and belief, Menard is a corporation organized under the laws of the State of Wisconsin, with its principal place of business at 5101 Menard Dr., Eau Claire, WI 54703, with regular and established places of business within the Northern District of Ohio, and listing its agent as Corporation Service Company which is located at 50 West Broad Street, Suite 1330 Columbus, OH 43215.

5. Upon information and belief, Menard is a corporate entity filed with the State of Ohio's Secretary of State Office, with an original filing date of May 25, 2001.

6. Upon information and belief, Menard is registered as a foreign corporation with the State of Ohio's Secretary of State's Office.

JURISDICTION AND VENUE

7. This is an action for patent infringement arising under the United States patent statutes, 35 U.S.C. § 100, *et seq.*

8. This Court has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338(a).

9. Upon information and belief, Menard has committed acts of patent infringement within the United States and more particularly, within this District.

10. Upon information and belief, Menard is transacting business within the State of Ohio and within this District.

11. Upon information and belief, Menard has a store location in Cuyahoga Falls, Ohio with an address of 125 Graham Rd., Cuyahoga Falls, OH 44223, a regular and established place of business within this District.

12. Upon information and belief, Menard has a store location in Massillon, Ohio with an address of 3725 Erie Street South, Massillon, OH 44646, a regular and established place of business within this District.

13. Upon information and belief, Menard has a store location in Warren Ohio, with an address of 2015 Walmart Drive, Warren, OH 44483, a regular and established place of business within this District.

14. This Court has personal jurisdiction over Menard because Menard is transacting business regularly within this District in its home improvement stores in Cuyahoga Falls, Massillon, and Warren, Ohio, and has committed acts and, upon information and belief, will continue to commit acts within this District giving rise to this action, including offering to sell and selling infringing products and/or placing infringing products, directly or indirectly into the stream of commerce in such a way as to reach customers in this District.

15. Menard purposefully and voluntarily offers to sell one or more of its infringing products with the expectation that they will be purchased by consumers in this District.

16. Upon information and belief, these infringing products have been and continue to be purchased by consumers in this District.

17. Upon information and belief, Menard has committed acts, and will continue to commit acts within the State of Ohio and within this District, giving rise to this action, by offering to sell and selling infringing products and/or placing infringing products, directly or

indirectly into the stream of commerce in such a way as to reach customers in the State of Ohio and in this District.

18. Upon information and belief, Menard provides sales services in the State of Ohio and in this District.

19. Upon information and belief, Menard has sold and/or marketed infringing products in the State of Ohio and in this District.

20. Upon information and belief, Menard has regular or established business operations in the State of Ohio and in this District.

21. Upon information and belief, Menard has systematic and continuous sales and marketing activities in the State of Ohio and in this District.

22. Upon information and belief, this Court has personal jurisdiction over Menard as a result of Menard's systematic and continuous contacts within the State of Ohio and this District.

23. Upon information and belief, Menard's systematic and continuous contacts within the State of Ohio and within this District result from its continuous contact with, and sales to, customers in Ohio and in this District.

24. Menard offers for sale, sells and/or advertises products that infringe one or more of the claims within the Asserted Patents in the State of Ohio, and the foregoing products are accessible to and accessed by customers and/or clients in this District.

25. Venue is proper in the Northern District of Ohio under 28 U.S.C. §§ 1391(b) and 28 U.S.C. § 1400(b).

26. Venue is proper in the Northern District of Ohio because Menard is registered in the State of Ohio, has systematic and continuous contacts within the State of Ohio and within

this District, has committed acts of infringement within this District and has regular and established places of business within this District.

FACTUAL BACKGROUND

27. ETi is a vertically integrated LED manufacturer and marketer which offers a full portfolio of innovative LED light fixtures, components thereof and LED lamps.

28. On November 22, 2016, the United States Patent and Trademark Office issued the '352 Patent to ETi; a true and accurate copy of the '352 Patent is attached hereto as **Exhibit A**.

29. On January 10, 2017, the United States Patent and Trademark Office issued the '270 Patent to ETi; a true and accurate copy of the '270 Patent is attached hereto as **Exhibit B**.

30. Upon information and belief, Menard is a retailer.

31. Upon information and belief, Menard is a retailer of LED lighting.

32. Upon information and belief, Menard sells a "White Trim Puff Retrofit Light with White Lens" LED light fixture, under the brand name Patriot Lighting®, under model number 0017-0009, and under Menards stock keeping unit 351-1531.

33. Upon information and belief, Menard sells a "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550.

34. ETi's legal counsel has notified Menard of its infringement of the Asserted Patents by Menard's sale of integral LED light fixtures of the type disclosed and covered by the Asserted Patents, which light fixtures include, *inter alia*, a flush mount ceiling lamp on its "White Trim Puff Retrofit Light with White Lens" LED light fixture (in particular, Model No.: 0017-0009), and has requested that Menard undertake certain actions, and noted that Menard has continued to deliberately infringe the Asserted Patents.

35. On February 1, 2016, D. Peter Hochberg (“Mr. Hochberg”) sent an initial Warning Letter to John Menard, Jr. (“Mr. Menard”), President of Menard, Inc., by certified mail.

36. This February 1, 2016, Warning Letter from Mr. Hochberg intended to alert Mr. Menard of Menard’s infringing product, namely, the White Trim Puff Retrofit Light with White Lens offered for sale at Menards, under the Patriot Lighting® brand name.

37. On February 2, 2016, Attorney Elizabeth Samb, Esq. (“Ms. Samb”), corporate counsel for Menard, sent Mr. Hochberg correspondence to confirm receipt of his February 1, 2016 Warning Letter.

38. In Ms. Samb’s February 2, 2016, correspondence to Mr. Hochberg, Ms. Samb indicated that the products were supplied to Menard by American Lighting, LLC (“American Lighting”).

39. On February 9, 2016, Attorney Richard E. Fee, Esq. (“Mr. Fee”), outside counsel for Menard, sent Mr. Hochberg a response letter in reply to his February 1, 2016 correspondence.

40. On February 19, 2016, Mr. Hochberg sent a Warning Letter to Mr. Jason Elrod (“Mr. Elrod”), Vice-President of Sales and Marketing, at American Lighting by certified mail.

41. On December 21, 2016, Mr. Hochberg sent a letter responding to Mr. Fee’s February 9, 2016 letter by certified mail.

42. On January 13, 2017, Mr. Fee sent Mr. Hochberg an email confirming that they, on their earlier telephone call, had agreed to a January 31, 2017, date for a response from Menard.

43. On February 2, 2017, Joe Garcia (“Mr. Garcia”), product development manager from American Lighting, emailed Mr. Hochberg and requested a comprehensive agreement regarding licensing of the ‘352 Patent, after a review of the ‘352 Patent.

44. On March 7, 2017, Mr. Hochberg sent a letter in response to Mr. Garcia's letter of February 2, 2017, stating that ETi had given instructions to Mr. Hochberg not to enter license negotiations with American Lighting and to advise American Lighting to cease and desist from selling infringing products that are within the coverage of the '352 Patent.

45. On May 2, 2017, Attorney Michael M. McGaw, Esq. ("Mr. McGaw") of Smith & Hopen, representing American Lighting, sent correspondence to Mr. Hochberg.

46. Within Mr. McGaw's May 2, 2017, correspondence, Mr. McGaw stated that "American Lighting has not produced or sold that light, or any light substantially similar thereto, since at least February 1, 2016."

47. Also within Mr. McGaw's May 2, 2017, correspondence, Mr. McGaw sought permission for Menard to sell the remaining inventory.

48. On May 4, 2017, Mr. Hochberg sent Mr. McGaw correspondence responding to Mr. McGaw's correspondence of May 2, 2017, seeking an inventory count from Menard of the Puff Retrofit Light as well as a confirmation that American Lighting had ceased all active selling of the Patriot Lighting® Puff Retrofit Light.

49. Upon information and belief, subsequent to the Warning Letter sent to Mr. Menard on February 1, 2016, identified in Paragraph 35 above, Menard commenced selling a Sylvania White LED Retrofit Flush Mount Ceiling Light LED light fixture, identified in Paragraph 33 above.

50. Upon information and belief, subsequent to the Warning Letter sent to Mr. Elrod on February 19, 2016, identified in Paragraph 40 above, Menard continued selling a Sylvania White LED Retrofit Flush Mount Ceiling Light LED light fixture, identified in Paragraph 33 above.

51. Menard has derived substantial value from selling these products which incorporate ETi's patented technologies.

52. Menard continues to derive substantial value from continuing to sell these products which incorporate ETi's patented technologies.

FIRST CLAIM FOR RELIEF
(Infringement of U.S. Patent 9,500,352)

53. ETi repeats and re-alleges the allegations in paragraphs 1 to 52 as if fully set forth herein.

54. ETi is the owner of all right, title and interest in the '352 Patent.

55. The '352 Patent is valid and enforceable and ETi has the full right to recover for past infringement damages and the right to recover future royalties, damages and income.

56. Upon information and belief, Menard sells a "White Trim Puff Retrofit Light with White Lens" LED light fixture, under the brand name Patriot Lighting®, under model number 0017-0009, and under Menards stock keeping unit 351-1531.

57. For example, Menard is selling a "White Trim Puff Retrofit Light with White Lens" LED light fixture, under the brand name Patriot Lighting®, under model number 0017-0009, and under Menards stock keeping unit 351-1531 online at <https://www.menards.com/main/lighting-ceiling-fans/indoor-lighting/flush-mount-lights/patriot-lighting-reg-white-trim-puff-retrofit-light-with-white-lens/0017-0009/p-1444424038945-c-7496.htm> (last retrieved on October 5, 2018). A true and accurate copy of the webpage is attached hereto as **Exhibit C**.

58. Upon information and belief, Menard's "White Trim Puff Retrofit Light with White Lens" LED light fixture, under the brand name Patriot Lighting®, under model number

0017-0009, and under Menards stock keeping unit 351-1531 embodies the patented invention of the '352 Patent.

59. But also, upon information and belief, Menard sells a "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550.

60. For example, Menard is selling a "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550 online at <https://www.menards.com/main/lighting-ceiling-fans/indoor-lighting/flush-mount-lights/sylvania-white-led-retrofit-flush-mount-ceiling-light/75080/p-1496125524765-c-7496.htm?tid=-7265394887592920280&ipos=1> (last retrieved on October 5, 2018). A true and accurate copy of the webpage is attached hereto as **Exhibit D**.

61. Upon information and belief, the "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550 embodies the patented invention of the '352 Patent.

62. As a result, Menard has infringed the '352 Patent, without ETi's authority, by selling, offering to sell, and/or using these light fixtures (i.e., the "White Trim Puff Retrofit Light with White Lens" LED light fixture, under the brand name Patriot Lighting®, under model number 0017-0009, and under Menards stock keeping unit 351-1531; and the "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550) that embody the patented invention of the '352 Patent, and infringe one or more claims of the '352 Patent.

63. Upon information and belief, Menard has known of the '352 Patent since at least February 1, 2016, and has disregarded, and continues to disregard, that Menard's actions infringe the '352 Patent.

64. Upon information and belief, Menard's direct infringement has been and continues to be deliberate, willful, intentional, and with knowledge of the existence of the '352 Patent since at least February 1, 2016, when ETi's legal counsel sent correspondence to John Menard, Jr., to place Menard on actual notice, such that ETi is entitled to enhanced damages and to recover its attorneys' fees and other expenses of litigation pursuant to 35 U.S.C. §§ 284 and 285.

65. ETi has at no time either expressly or impliedly licensed Menard to practice the '352 Patent.

66. Upon information and belief, Menard has caused irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

67. Upon information and belief, Menard will continue to cause irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

68. As a result of Menard's actions, ETi has suffered substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Menard, unless Menard is enjoined by this Court.

69. As a result of Menard's actions, ETi will continue to suffer substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Menard, unless Menard is enjoined by this Court.

SECOND CLAIM FOR RELIEF
(Infringement of U.S. Patent 9,541,270)

70. ETi repeats and re-alleges the allegations in paragraphs 1 to 69 as if fully set forth herein.

71. ETi is the owner of all right, title and interest in the '270 Patent.

72. The '270 Patent is valid and enforceable and ETi has the full right to recover for past infringement damages and the right to recover future royalties, damages and income.

73. Upon information and belief, Menard sells a "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550.

74. For example, Menard is selling a "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550 online at <https://www.menards.com/main/lighting-ceiling-fans/indoor-lighting/flush-mount-lights/sylvania-white-led-retrofit-flush-mount-ceiling-light/75080/p-1496125524765-c-7496.htm?tid=-7265394887592920280&ipos=1> (last retrieved on October 5, 2018). A true and accurate copy of the webpage is attached hereto as **Exhibit E**.

75. Upon information and belief, the "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model number 75080, and under Menards stock keeping unit 351-1550 embodies the patented invention of the '270 Patent.

76. As a result, Menard has infringed the '270 Patent, without ETi's authority, by selling, offering to sell, and/or using these light fixtures (i.e., the "Sylvania White LED Retrofit Flush Mount Ceiling Light" LED light fixture, under the brand name Sylvania, under model

number 75080, and under Menards stock keeping unit 351-1550) that embody the patented invention of the '270 Patent, and infringe one or more claims of the '270 Patent.

77. Upon information and belief, Menard has known of the '270 Patent since at least February 1, 2016, and has disregarded, and continues to disregard that Menard's actions infringe the '270 Patent.

78. Upon information and belief, Menard's direct infringement has been and continues to be deliberate, willful, intentional, and with knowledge of the existence of the '270 Patent since at least February 1, 2016, when ETi's legal counsel sent correspondence to John Menard, Jr., to place Menard on actual notice, such that ETi is entitled to enhanced damages and to recover its attorneys' fees and other expenses of litigation pursuant to 35 U.S.C. §§ 284 and 285.

79. ETi has at no time either expressly or impliedly licensed Menard to practice the '270 Patent.

80. Upon information and belief, Menard has caused irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

81. Upon information and belief, Menard will continue to cause irreparable harm to ETi, by its infringing conduct, for which there is no adequate remedy at law.

82. As a result of Menard's actions, ETi has suffered substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and profits, which ETi would have made but for the infringement by Menard, unless Menard is enjoined by this Court.

83. As a result of Menard's actions, ETi will continue to suffer substantial injury, including irreparable harm, which will result in damages to ETi, including loss of sales and

profits, which ETi would have made but for the infringement by Menard, unless Menard is enjoined by this Court.

PRAYER FOR RELIEF

WHEREFORE, ETi respectfully requests that the Court enter judgment against Menard and against its respective subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, and employees, and all persons in privity or active concert or participation with Menard, granting the following relief:

- A. The entry of judgment in favor of ETi and against Menard;
- B. A judgment that one or more claims of the '352 Patent have been infringed by Menard either literally and/or under the Doctrine of Equivalents;
- C. A judgment that one or more claims of the '270 Patent have been infringed by Menard either literally and/or under the Doctrine of Equivalents;
- D. Issue an Order directing Menard and its officers, agents, servants, employees, and attorneys, and those acting in concert and participation with them who receive actual notice of the Order, to destroy all infringing products, as well as all molds, machines, tooling, or other equipment used in the manufacture of products infringing the Asserted Patents;
- E. Issue an Order granting preliminary injunctive relief restraining and enjoining Menard and its officers, agents, servants, employees, and attorneys, and those acting in concert and participation with them who receive actual notice of the Order from infringing the Asserted Patents for the full terms thereof;
- F. Issue an Order granting permanent injunctive relief restraining and enjoining Menard and its officers, agents, servants, employees, and attorneys, and those

acting in concert and participation with them who receive actual notice of the Order from infringing the Asserted Patents for the full term thereof;

- G. A judgment for monetary damages resulting from Menard's infringement of the Asserted Patents in an amount to be proven at trial, but no less than a reasonable royalty, together with pre-judgment interest and post-judgment interest;
- H. An award of actual damages against Menard for damages arising from Menard's infringement of the Asserted Patents to be willful and deliberate, and a trebling of damages pursuant to 35 U.S.C. § 284;
- I. A judgment holding this case to be an exceptional case, and an award to ETi for its attorneys' fees, costs and expenses incurred prosecuting this action pursuant to 35 U.S.C. § 285;
- J. In the event a final injunction is not granted, a compulsory on-going royalty; and
- K. Such other relief to which ETi is entitled under law, and any other and further relief as this Court may deem just and proper.

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Dated: October 5, 2018

Respectfully submitted,

/s/ Craig A. Marvinney

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JURY DEMAND

ETi hereby demands a trial by jury, pursuant to Rule 38 of the Federal Rules of Civil Procedure on all issues so triable.

Dated: October 5, 2018

Respectfully submitted,

/s/ Craig A. Marvinney

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