IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

Civil Action No. 1:19-cv-00662

LILLEBABY, LLC,

Plaintiff,

V.

MOUNTAIN BUGGY USA a/k/a PHIL & TEDS USA INC. **DEMAND FOR JURY TRIAL**

Defendant.

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff LILLEbaby, LLC, for its Complaint against Defendant Mountain Buggy USA a/k/a Phil & Teds USA Inc., alleges on its own knowledge and on information and belief as follows:

NATURE OF THE CASE

1. This Action seeks damages and injunctive relief for patent infringement.

PARTIES

2. Plaintiff LILLEbaby, LLC ("LILLEbaby") is a limited liability company duly organized and existing under the laws of the State of Delaware with its principal place of business at 700 12th Street, Golden, Colorado 80401.

3. On information and belief, Defendant, Mountain Buggy USA a/k/a Phil & Teds USA Inc. ("Defendant" or "Mountain Buggy") is a corporation duly organized and existing under the laws of Colorado, having a principal place of business and/or headquarters at 221 Jefferson Street, Suite 100, Fort Collins, Colorado 80524.

JURISDICTION AND VENUE

4. This is an Action for patent infringement arising under the patent laws of the United States, including 35 U.S.C. § 271 *et seq*.

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

6. This Court has personal jurisdiction over Defendant because Defendant resides in Colorado, and due to Defendant's continuous, systematic and substantial contacts within the State of Colorado including: (i) at least a portion of the infringement alleged herein occurs in Colorado; and (ii) Defendant is regularly doing or soliciting business in Colorado, engaging in other persistent courses of conduct in Colorado, and/or deriving substantial revenue from goods and services provided to individuals in Colorado. By way of example, Defendant maintains its principal place of business and/or headquarters at 221 Jefferson Street, Suite 100, Fort Collins, Colorado 80524. Moreover, Defendant sells its products including infringing, imported child carriers in the United States and Colorado through, *inter alia*, its own online store at https://mountainbuggy.com/us/Buy/, which states that "*from within* the USA we will ship to all

50 states." *See* <u>https://mountainbuggy.com/us/Support/Shipping-and-Billing</u> (emphasis added). Defendant's website further identifies and lists certain brick and mortar retail store(s) in Colorado that warehouse and sell infringing child carriers—and where in turn—U.S.-based consumers can make in-store purchases of infringing child carriers. *See* <u>https://mountainbuggy.com/us/Find-a-store</u> (listing at least one Colorado retailer).

7. Venue is appropriate in this District pursuant to 28 U.S.C. §§ 1391(b) and (c), and/or 28 U.S.C. § 1400(b). Upon information and belief, Defendant has transacted business in this District and has committed acts of patent infringement in this District. Moreover, Defendant is organized and existing under the laws of the State of Colorado and has a regular and established place of business in Colorado and within this District.

FACTUAL BACKGROUND

8. Lisbeth Lehan, as a new mother, searched for a suitable child carrier after her first child was born. Unfortunately, she found available carriers wanting. Then-existing child carriers offered limited carrying positions and were quickly outgrown. In addition, they poorly distributed weight and were uncomfortable for both the child and transporting individual. Ms. Lehan purchased a carrier and tried it with her child. Unfortunately, her use of the carrier with her child caused her great discomfort.

9. Ms. Lehan's less than satisfactory experience with available child carriers led her to create innovative carriers that are sold by her company, LILLEbaby. The LILLEbaby carriers are adaptable both to the child's development stage and size, and a child may be carried in various positions, such as facing inward or outward, and on the transporting individual's front, hip or back, which improves weight distribution. An illustration of these various carrying positions reproduced below.



10. From its humble beginnings, LILLEbaby has grown to become one of the leading child carrier producers on the market. Since then, LILLEbaby has marketed, promoted, advertised, and sold its child carriers and related products through multiple channels, including on its well-known website located at www.LILLEbaby.com.

11. The industry recognized the value of Ms. Lehan's innovation. Indeed, the LILLEbaby carrier has received numerous accolades and unsolicited media attention. For example, Baby Gizmo wrote "I feel like I had to buy 3 different carriers to get all the features LILLEbaby put into one." Baby Bottom Line said "The carrier is. . . the Mother of all carriers it's NUTS! This . . . by far . . . is the most functional carrier I have used!" The LILLEbaby carrier has also received numerous awards, including the "Mom's Choice Awards," the Babylist "Best Pick" award, the Tillywig "Parents' Favorite Products" award, the "Cribsie" award and is a Mom Trends "Must-haves" winner.

12. LILLEbaby has invested significant resources to protect its innovations, including pursuing patent protection.

13. LILLEbaby's patents have been infringed by parties including Defendant in this action.

THE PATENTS-IN-SUIT

14. LILLEbaby is the owner of all rights, title and interest to U.S. Patent No. 8,172,116 ("the '116 Patent") entitled "Child Carrier Having Adaptive Leg Supports" issued on May 8, 2012. A copy of the '116 Patent is attached hereto as **Exhibit 1**.

15. LILLEbaby has the sole and exclusive right to prosecute this Action, enforce the '116 Patent against infringers including Defendant, and to collect damages on the '116 Patent for all relevant times.

16. LILLEbaby has complied with any applicable marking requirements under 35U.S.C. § 287 for the '116 Patent.

17. LILLEbaby is the owner of all rights, title and interest to U.S. Patent No. 8,424,732 ("the '732 Patent") entitled "Child Carrier Having Adaptive Leg Supports" issued on April 23, 2013. A copy of the '732 Patent is attached hereto as **Exhibit 2**.

18. LILLEbaby has the sole and exclusive right to prosecute this Action, enforce the '732 Patent against infringers including Defendant, and to collect damages on the '732 Patent for all relevant times.

LILLEbaby has complied with any applicable marking requirements under 35
U.S.C. § 287 for the '732 Patent.

20. The '116 and '732 Patents are collectively referred to herein as the "Asserted Patents."

DEFENDANT'S INFRINGING CONDUCT

21. On information and belief, Defendants import into the United States, sell for

importation and/or sell after importation infringing child carriers in the United States.

22. Specifically, Defendant uses, offers to sell and sells within the United States, and imports into the United States certain infringing child carriers including the Mountain Buggy Juno products (hereinafter "the Accused Products").

23. By way of example, Defendant imports into the United States the Accused Products and offers to sell and sells those products to U.S. based consumers through, *inter alia*, their online store as discussed *supra*.

24. Defendant advertises the Accused Products carriers under its own Mountain Buggy brand name.

25. The Accused Products are currently the subject of a Complaint filed by LILLEbaby seeking to commence an Investigation commenced by the U.S. International Trade Commission ("ITC") into violations of Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 ("ITC Investigation"), for infringement of the Asserted Patents.

COUNT I – INFRINGEMENT OF THE '116 PATENT

26. LILLEbaby restates and incorporates by reference the paragraphs above as if stated fully herein.

27. On information and belief, in violation of 35 U.S.C. § 271(a), Defendant has, literally and under the doctrine of equivalents, directly infringed at least claim 1 of the '116 Patent by, among other things, making, using, offering for sale, and/or selling within the United States, and importing into the United States, the Accused Products as described *supra*, and will continue to do so unless such infringing activities are enjoined by this Court.

28. Specific claim charts demonstrating Defendant's infringement of the '116 Patent for each of the Accused Products are attached hereto as **Exhibit 3**.¹

¹ All claim charts attached hereto are for pleading purposes only—and shall not preclude nor be deemed replacements of LILLEbaby's infringement contentions to be served at a later date set by the Court in its Scheduling Order.

29. LILLEbaby has suffered, and continues to suffer, damages and irreparable harm as a result of Defendant's past and ongoing infringement.

30. Unless Defendant's infringement is enjoined, LILLEbaby will continue to be damaged and irreparably harmed.

31. Defendant has had knowledge of the '116 Patent since at least the date of the filing of this Action.

32. Defendant's ongoing infringement of the '116 Patent has been willful and deliberate, making this an exceptional case and entitling LILLEbaby to recover enhanced trebled damages and attorneys' fees pursuant to 35 U.S.C. §§ 284, 285.

COUNT II – INFRINGEMENT OF THE '732 PATENT

33. LILLEbaby restates and incorporates by reference the paragraphs above as if stated fully herein.

34. On information and belief, in violation of 35 U.S.C. § 271(a), Defendant has, literally and under the doctrine of equivalents, directly infringed at least claim 10 of the '732 Patent by, among other things, making, using, offering for sale, and/or selling within the United States, and importing into the United States, the Accused Products as described *supra*, and will continue to do so unless such infringing activities are enjoined by this Court.

35. Specific claim charts demonstrating Defendant's infringement of the '732 Patent for each of the Accused Products are attached hereto as **Exhibit 4**.

36. LILLEbaby has suffered, and continues to suffer, damages and irreparable harm as a result of Defendant's past and ongoing infringement.

37. Unless Defendant's infringement is enjoined, LILLEbaby will continue to be damaged and irreparably harmed.

38. Defendant has had knowledge of the '732 Patent since at least the date of the filing of this Action.

39. Defendant's ongoing infringement of the '732 Patent has been willful and deliberate, making this an exceptional case and entitling LILLEbaby to recover enhanced trebled damages and attorneys' fees pursuant to 35 U.S.C. §§ 284, 285.

DEMAND FOR JURY TRIAL

40. Pursuant to Fed. R. Civ. P. 38, Plaintiff demands a trial by jury of all issues triable of right to a jury and raised by the pleadings in this action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff LILLEbaby requests that this court enter the following orders and judgments:

a. Awarding damages no less than a reasonable royalty together with interests and costs;

b. Preliminary and permanently enjoining Defendant and its parents, subsidiaries, divisions, officers, directors, agents, dealers, representatives, servants, employees, successors, assigns, and all parties acting in concert or participation with them, from infringing the Asserted Patents;

c. Finding Defendant's infringement of the Asserted Patents to be willful under 35U.S.C. § 284 and trebling damages accordingly;

d. Finding this to be an exceptional case and awarding LILLEbaby attorney fees under 35 U.S.C. § 285; and

e. Awarding LILLEbaby such other and further relief as the Court deems just and proper.

Respectfully Submitted,

Dated: March 6, 2019

By:/s/ Christopher L. Limpus

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