WANG IP LAW GROUP, P.C. 1 TOMMY SF WANG (SBN: 272409) 2 CHIEH AN CHEN (SBN: 306296) ANGELICA VICTORIA O. DE MESA (SBN:313602) 3 18645 E. Gale Ave., Suite 205 4 Industry, CA 91748 Telephone: (626) 269-6753 5 Facsimile: (888) 827-8880 6 twang@thewangiplaw.com, achen@thewangiplaw.com, 7 ademesa@thewangiplaw.com 8 Attorneys for Plaintiff, SHANDONG HONGHUI FOOD MACHINERY CO., 9 LTD dba SEVEN STYLE 10 11 UNITED STATES DISTRICT COURT 12 CENTRAL DISTRICT OF CALIFORNIA 13 SHANDONG HONGHUI FOOD Case No.: 14 MACHINERY CO., LTD dba SEVEN 15 STYLE, a China Limited Company, **COMPLAINT FOR DECLARATORY** 16 Plaintiff. **JUDGMENT OF NON-**17 INFRINGEMENT OF A PATENT VS. 18 WOULDN'T IT BE NICE LLC, a 19 Michigan Limited Liability Company; 20 and DOES 1 through 10; 21 Defendants. 22 23 Plaintiff SHANDONG HONGHUI FOOD MACHINERY CO., LTD dba SEVEN 24 STYLE, a China Limited Company, by and through its counsel of record, hereby 25 complains against Defendant WOULDN'T IT BE NICE LLC, a Michigan Limited 26 Liability Company, as follows: 27 28 1

THE PARTIES

- 1. Plaintiff SHANDONG HONGHUI FOOD MACHINERY CO., LTD dba SEVEN STYLE ("SEVEN STYLE" or "PLAINTIFF") is a China Limited Company with its principal place of business at Xingfu Town, Boxing County No. 188, Cungao Village Binzhou, Shandong China 256600.
- 2. Defendant WOULDN'T IT BE NICE LLC ("WIBN LLC" or "DEFENDANT") is a Michigan Limited Liability Company with its principal place of business in Plymouth, Michigan.

NATURE OF THE ACTION

- 3. PLAINTIFF is a seller of velvet hair scrunchies and retails these products through e-commerce websites such as www.amazon.com. DEFENDANT holds a design patent for a similar hair product (i.e. a hair scrunchie) but with a distinct petal-like shape for the style and design of its product.
- 4. PLAINTIFF brings this action for declaratory judgment of non-infringement of United States Design Patent No. D851,833 ("'833 Patent") owned by DEFENDANT and issued on June 18, 2019. A true and correct copy of the '833 Patent is attached hereto as Exhibit A.

JURISDICTION

- 5. This action arises under the laws of the Patent Act under Title 35 of the United States Code.
- 6. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338, because the action arises under the Federal Declaratory Judgment Act, 28 U.S.C. § 2201, *et seq.* and the Patent Act of the United States 35 U.S.C. § 171 *et seq.*
- 7. An actual controversy exists between the parties through DEFENDANT's assertion of its design patent right against PLAINTIFF's products. Specifically, DEFENDANT asserts that PLAINTIFF's Scrunchies Velvet Elastic Hair Bands ("Alleged Product") infringed upon their '833 Patent. However, PLAINTIFF contends that the

Alleged Product did not infringe DEFENDANT's '833 Patent and has the right to make, use, sell, and/or offer to sell the Alleged Product in the United States and elsewhere.

8. The Court has personal jurisdiction of the parties because the parties have established minimum contacts with the forum such that the exercise of jurisdiction over either party will not offend traditional notions of fair play and substantial justice. Upon information and belief, PLAINTIFF and DEFENDANT conducts business throughout the United States and actively transacts businesses in this judicial district, including the sale of its products through the internet to California Residents.

VENUE

9. Venue in this judicial district is proper pursuant to 28 U.S.C. § 1391 because a substantial part of the events giving rise to the claim occurred in this district and the DEFENDANT is subject to the Court's personal jurisdiction with respect to this action.

GENERAL ALLEGATIONS

DEFENDANT Accuses PLAINTIFF of Design Patent Infringement

- 10. PLAINTIFF manufactures and sells the Alleged Product on e-commerce retailers such as Amazon.com. A true and correct copy of one PLAINTIFF's listing on www.amazon.com is attached hereto as Exhibit B. On or around June 25, 2019, PLAINTIFF received an email from Amazon.com stating that their listing for the Alleged Product was removed based on a third-party complaint for the potential intellectual property infringement of United States Design Patent No. D851,833 ('833 Patent).
- 11. DEFENDANT owns the intellectual property rights to the '833 patent, a design patent for an ornamental design of a hair scrunchie with a distinct petal-like shape. (See Exhibit A.) Upon information and belief, DEFENDANT made the complaint to Amazon.com in order to prevent PLAINTIFF from making, using, selling, and/or offering to sell the Alleged Product in the United States and through Amazon.com.
- 12. At all relevant times and contrary to DEFENDANTS' assertion, PLAINTIFF's Alleged Product does not infringe the '833 Patent. First, similar to a regular hair scrunchie, the Alleged Product has an unfixed shape and is hard to form into a petal-

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like shape whereas DEFENDANT's '833 Patent retains its petal-like shape at all times. Attached hereto as Exhibit C is a comparison of the '833 Patent's petal-like shape with the shape of a regular scrunchie.

- 13. Second, the connection line of '833 Patent is in the middle between the top portion and bottom portion of the scrunchie whereas the connection lines of the Alleged Product are located randomly. Moreover, the connection lines of the Alleged Product have a higher likelihood of being biased to the top portion or bottom portion as opposed to the middle portion.
- 14. The differences between the Alleged Product and the '833 Patent establishes that PLAINTIFF did not infringe, either directly or indirectly, the '833 Patent. By virtue of the foregoing, there now exists an actual, justiciable, and substantial controversy between the parties with respect to the validity, enforceability, and infringement of the '833 Patent. Accordingly, PLAINTIFF is entitled to have a declaration of its rights and further relief as requested herein.

FIRST CLAIM FOR RELIEF

(Declaratory Judgment of Non-Infringement of the '833 Patent)

- 15. PLAINTIFF hereby incorporates allegations asserted in paragraphs 1-14.
- 16. PLAINTIFF's Alleged Product does not infringe the '833 Patent, directly or indirectly, either literally or under the doctrine of equivalents.
- 17. PLAINTIFF seeks a declaration that it has not infringed and does not infringe, directly or indirectly, any valid and enforceable claim of the '833 patent.
- 18. A judicial declaration is necessary and appropriate so that PLAINTIFF may ascertain its rights and duties with respect to the '833 Patent.

DEMAND FOR JURY TRIAL

19. PLAINTIFF hereby demands a jury trial on all claims, damages, and any other issues presented herein that are triable to a jury.

PRAYER FOR RELIEF

WHEREFORE, PLAINTIFF prays for judgment against DEFENDANT as follows:

- 1. For the Court to declare that the velvet hair scrunchies manufactured, sold or distributed by PLAINTIFF do not and would not infringe the United States Design Patent No. D851,833, directly or indirectly, literally or under the doctrine of equivalents, if made, used, offered for sale, or sold in the United States or imported into the United States;
- 2. For the Court to deem this case to be "exceptional" within the meaning of 35 U.S.C. §285 entitling PLAINTIFF to an award of its reasonable attorneys' fees and expenses in this action; and
 - 3. For such other and further relief as the Court deems just and proper.

Dated: August 23, 2019

Respectfully submitted,

Songfong Tommy Wang Wang IP Law Group, P.C.

Attorney for Plaintiff SHANDONG HONGHUI FOOD MACHINERY CO., LTD dba SEVEN STYLE