UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF INDIANA NEW ALBANY DIVISION

Sandcraft, LLC *dba* Sandcraft Motorsports, an Arizona limited liability company,

Plaintiff,

JURY TRIAL DEMANDED

Case No. 4:20-cv-210

v.

Super ATV, LLC *dba* SuperATV, an Indiana limited liability company

Defendant.

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Sandcraft, LLC *dba* Sandcraft Motorsports ("<u>Sandcraft</u>"), for its Complaint against Defendant Super ATV, LLC *dba* SuperATV ("<u>Defendant</u>"), alleges as follows:

JURISDICTION AND VENUE

1. This action arises under the patent laws of the United States, Title 35, United States Code §§ 1 et seq., including 35 U.S.C. § 271, relating to United States Patent Number 10,471,825.

2. This court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

3. Venue is proper in this district under 28 U.S.C. §§ 1391(b)-(d) and 1400(b), including because Defendant has a regular and established place of business in this District and a

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substantial part of the events or omissions giving rise to Sandcraft's claims occurred within this District and division.

4. This court has personal jurisdiction over Defendant because Defendant is headquartered in and has its regular and established place of business within this district, regularly conducts business within this district, and has committed the acts of patent infringement alleged herein within this district.

PARTIES

5. Sandcraft is a limited liability company formed under the laws of Arizona and has its principal place of business in Phoenix, Arizona.

6. Sandcraft designs, manufactures, assembles, advertises, markets, offers, sells and distributes certain aftermarket parts for Utility Terrain Vehicles ("<u>UTV</u>") through various channels, including, for example, its website, <u>www.sandcraftmotorsports.com</u>.

7. On information and belief, Defendant is a limited liability company formed under the laws of Indiana and has its principal place of business in Madison, Indiana.

8. Defendant advertises, markets, offers, sells and distributes certain UTV parts, including aftermarket parts, through its website, <u>www.superatv.com</u>.

FACTS

The Asserted Patent and Sandcraft's Products

9. United States Patent Number 10,471,825 (the "<u>*825 Patent</u>"), entitled "CARRIER BEARING ASSEMBLY," was duly and legally issued on November 12, 2019, and

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names Jonathan D. Roberts and Brent G. Reynolds as the inventors. Attached as <u>Exhibit A</u> is a true and correct copy of the '825 Patent.

10. The '825 Patent issued from U.S. patent application Ser. No. 15/866,219 ("the '219 Application"), which was filed on January 9, 2018 as a continuation-in-part of U.S. patent application Ser. No. 15/449,483, filed Mar. 3, 2017 titled "Carrier Bearing Assembly" and issued as U.S. Patent No. 9,862,269 ("the '269 Patent"). The '269 Patent is a continuation-in-part of U.S. patent application Ser. No. 14/952,741, filed Nov. 25, 2015 titled "Carrier Bearing Assembly" and issued as U.S. Patent No. 9,956,872 ("the '872 Patent").

11. The '219 Application published on May 24, 2018 as U.S. Publication No. 2018/0141434 and the '825 Patent issued on November 12, 2019. On information and belief, and in particular based on correspondence between the parties, Defendant had actual notice of U.S. Publication No. 2018/0141434 as of its May 24, 2018 publication date, or afterwards but before the '825 Patent's November 12, 2019 issue date. At the very least, Defendant has actual knowledge of the '825 Patent as of the date of this Complaint.

12. The '825 Patent contains 19 claims, of which two, Claims 1 and 12, are independent claims, and the remaining claims are dependent claims.

13. Sandcraft is the sole assignee and owner of the entire right, title, and interest in the '825 Patent.

14. Sandcraft manufactures, assembles, advertises, markets, offers for sale, sells and distributes carrier bearings and carrier bearing assemblies that embody and use the inventions claimed in the '825 Patent (the "Sandcraft Products").

15. As of the '825 Patent's November 12, 2019 issue date and thereafter, Sandcraft marked and continues to mark the Sandcraft Products with patent number 10,471,825 and, prior

to issuance of the '825 Patent, marked the Sandcraft Products with the designation "Patent Pending."

Defendant's Accused Products, Knowledge of the '825 Patent, and Infringing Conduct

16. Defendant has made, used, sold, offered to sell, and/or imported, and continues to make, use, sell, offer to sell, and/or import carrier bearings products.

17. Defendant's actions have included, and continue to include, making, using, selling, offering to sell, and/or importing carrier bearings products that embody and use inventions claimed in the '825 Patent (the "Accused Products"). Images of the Accused Products are shown in **Exhibit B** attached hereto.

18. Upon information and belief, Defendant actively monitors the UTV market, including aftermarket products for UTVs, and in so doing, actively monitors its competitors (including Sandcraft) as well the intellectual property of its competitors (including Sandcraft's intellectual property).

19. Upon information and belief, based on its active monitoring of the UTV market, Defendant has had actual notice of, or been willfully blind to, the existence of the '825 Patent and the inventions embodied therein since before the date of this Complaint.

20. Upon information and belief, Defendant has had actual notice of, or been willfully blind to, the existence of the inventions embodied in the '825 Patent since at least May 14, 2018, the publication date of the '219 Application that ultimately matured into the '825 Patent. In particular, in early 2018, Defendant (through its counsel) was put on notice of the '269 Patent—to which the '825 Patent claims priority—via exchanges of correspondence between Sandcraft's

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counsel and Defendant's counsel, which exchanges occurred around the May 14, 2018 publication date of the '219 Application.

21. Further, and at the very least, Defendant has had actual notice of, and been willfully blind to, the existence of the '825 Patent February 26, 2020 or shortly thereafter based on correspondence Defendant's counsel received regarding the '825 Patent. A true and correct copy of that correspondence is attached hereto as **Exhibit C**.

22. Defendant has committed acts of direct infringement (literally or by the doctrine of equivalents) of at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, and continues to commit such acts, by making, using, offering to sell, selling and/or importing the Accused Products, as demonstrated in the claim chart attached hereto as **Exhibit D**. Defendant has directly infringed at least one claim of the ''825 Patent, individually, or as part of a joint enterprise with at least one third party or through the exercise of direction and control over at least one third party.

23. Upon information and belief, with its knowledge of the '825 Patent as set forth above, Defendant has actively induced, and is actively is inducing, infringement of the '825 Patent. Specifically, upon information and belief, with its knowledge of the '825 Patent as set forth above, Defendant has actively and knowingly induced one or more third party manufacturers, distributors, importers, retailers, agents, and/or contractors to directly infringe at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, by, for example, distributing or making available to such third parties instructions or manuals for manufacturing, installing, using, and/or distributing the Accused Products. Upon information and belief, Defendant has done so with knowledge of, or with willful blindness of the fact, that the induced acts constitute infringement of at least one of Claims 1 and/or 12 of the '825 Patent, as

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well as dependent claims thereof, and, as such, Defendant has intentionally caused infringement by one or more third parties. Upon information and belief, this inducement has occurred since before the date of this Complaint, and is continuing to occur as of the date of this Complaint.

24. Upon information and belief, Defendant has been and is continuing to contributorily infringe the '825 Patent by selling or offering to sell the Accused Products, knowing them to be especially made or especially adapted for practicing the invention of the '825 Patent and not a staple article or commodity of commerce suitable for substantial non-infringing use. Specifically, Defendant knows, and has known, that the Accused Products are installed by its customers and that the resulting product infringes at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof. There are no substantial non-infringing uses for the Accused Products.

25. Defendant's acts of infringement have been, and continue to be willful and deliberate, and will continue unless and until the Court enjoins Defendant's infringing conduct.

26. Further, the Accused Products directly compete with the Sandcraft Products. As such, Defendant's conduct has caused, and continues to cause, significant harm to Sandcraft, and that harm will continue unless and until the Court enjoins Defendant's infringing conduct.

COUNT ONE: PATENT INFRINGEMENT (35 U.S.C. §§ 271(a)-(c))

27. Sandcraft repeats and re-alleges the preceding paragraphs of this Complaint as if fully set forth herein.

28. In violation of 35 U.S.C. § 271(a), Defendant has been and is directly infringing (literally or under the doctrine of equivalents) at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, by making, using, offering for sale, selling and/or

importing the Accused Products in the United States. Defendant has directly infringed at least one claim of the '825 Patent, individually, or as part of a joint enterprise with at least one third party or through the exercise of direction and control over at least one third party. Defendant will continue to directly infringe at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, unless enjoined by this Court.

29. In violation of 35 U.S.C. § 271(b), with knowledge, or willful blindness, of the '825 Patent as described above, Defendant has induced, and is inducing, infringement of at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof. Defendant will continue to induce infringement of at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, unless enjoined by this Court.

30. In violation of 35 U.S.C. 271(c), Defendant has been and is contributing to the infringement at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, by selling or offering to sell the Accused Products, knowing them to be especially adapted for practicing the inventions of the '825 Patent and not a staple article or commodity of commerce suitable for substantial non-infringing use. Defendant will continue to contribute to the infringement of at least one of Claims 1 and/or 12 of the '825 Patent, as well as dependent claims thereof, unless enjoined by this Court.

31. Defendant's infringement has been, and continues to be knowing, intentional, and willful.

32. Defendant's acts of infringement of the '825 Patent have caused and will continue to cause Sandcraft damages for which Sandcraft is entitled to compensation pursuant to 35 U.S.C. § 284 as well as 35 U.S.C. § 154(d), including, but not limited to, lost profits, a

reasonable royalty, treble damages, pre- and post-judgment interest at the maximum allowable rates, costs, and any other relief the Court deems proper.

33. Defendant's acts of infringement of the '825 Patent have caused and will continue to cause Sandcraft immediate and irreparable harm unless such infringing activities are enjoined by this Court pursuant to 35 U.S.C. § 283. Sandcraft has no adequate remedy at law.

34. This case is exceptional and, therefore, Sandcraft is entitled to an award of attorneys' fees pursuant to 35 U.S.C. § 285.

DEMAND FOR JURY TRIAL

Sandcraft requests a trial by jury of any issues so triable.

PRAYER FOR RELIEF

WHEREFORE, Sandcraft requests judgment against Defendant as follows:

1. Order, adjudge, and decree that the '825 Patent is valid, enforceable, and infringed by Defendant;

2. Enter an injunction permanently enjoining Defendant, its owners, officers, directors, managers, members, employees, agents, representatives, successors, affiliates, subsidiaries and assigns, and all of those in active concert and participation with any of the foregoing persons or entities, from infringing the '825 Patent;

3. Ordering Defendant to account and pay damages to compensate Sandcraft for Defendant's infringement of the '825 Patent, including pre-judgment and post-judgment interest and costs, pursuant to 35 U.S.C. § 284 and 35 U.S.C. § 154(d);

4. Ordering an accounting for any infringing sales not presented at trial and an award by the court of additional damages for any such infringing sales;

5. Ordering that Defendant's infringing conduct has been deliberate and willful and, as a result, ordering that the damages award be increased up to three times the actual amount assessed, pursuant to 35 U.S.C. § 284;

6. Declaring this case exceptional and awarding Sandcraft its reasonable attorneys' fees, pursuant to 35 U.S.C. § 285; and

7. Awarding such other and further relief as this Court deems just and proper.

Respectfully submitted this 9th day of October, 2020.

/s/ Andrew M. McCoy

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