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12 **IN THE UNITED STATES DISTRICT COURT**  
13 **FOR THE NORTHERN DISTRICT OF CALIFORNIA**

14 U.S. COTTON, LLC

15 Plaintiff

Civil Action No.:

16 vs.

17 A TO Z BEAUTY, LLC D/B/A  
18 CLIGANIC

19 Defendant.

20 **COMPLAINT**

21 **COMES NOW**, the Plaintiff, U.S. Cotton, LLC, by and through its legal counsel, and in support  
22 of the instant Complaint against Defendant A to Z Beauty, LLC D/B/A does hereby allege and  
23 aver:  
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**The Parties**

1. Plaintiff, U.S. Cotton, LLC is a limited liability company, organized under the laws of the State of Delaware that maintains a principal place of business at 531 Cotton Blossom Circle, Gastonia, NC 28054.
2. Defendant, A to Z Beauty, LLC d/b/a Cliganic (hereinafter, “Cliganic”) is a limited liability company, organized under the laws of the State of California that maintains a principal place of business in this State and District at 180 S. Spruce Ave., Unit L, South San Francisco, CA 94080.

**Jurisdiction and Venue**

3. This is an action for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code.
4. This Court has exclusive original subject matter jurisdiction over claims arising under the United States Patent Law pursuant to Title 35 U.S.C. §271 and 28 U.S.C. §1331, §1338.
5. Defendant Cliganic is subject to personal jurisdiction in this judicial district because: (1) it regularly conducts business within and has systematic and continuous contacts with this judicial district; (2) the activities giving rise to Plaintiffs' claims occurred, at least in part, within this judicial district; and (3) Plaintiffs have been damaged in at least this judicial district by Defendant Cliganic’s tortious conduct.
6. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and 1400(b) because Defendant Cliganic resides in and/or has a physical presence in this district, has offered

1 infringing product for sale in this district, and at least a part of the events giving rise to the  
2 asserted claim and of the resulting damage occurred in this district.

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4 **The Patent in Suit**

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6 7. On March 20, 2007, United States Patent 7,192,630 (hereinafter, “the ‘630 Patent”) was  
7 duly and legally issued to Flawa AG for an invention for a “Disk Method for Producing  
8 the Same and Device for Carrying Out said Method.” A true and correct copy of the ‘630  
9 Patent is attached hereto as Exhibit 1.  
10  
11 8. On September 14, 2011, Flawa AG assigned all right title and interest in and to the ‘630  
12 Patent and the invention disclosed therein to Plaintiff, U.S. Cotton LLC. The assignment  
13 was recorded at The United States Patent and Trademark Office on Reel 027029 Frame  
14 0426. A true and correct copy of the assignment is attached hereto as Exhibit 2.

15  
16 **Background**

- 17  
18 9. U.S. Cotton is in the business of, *inter alia*, manufacturing and marketing high quality  
19 cotton-based products to companies and end-users in the medical, health and beauty  
20 markets.  
21  
22 10. From its humble beginnings as an importer of Swiss beauty rounds, U.S. Cotton has, over  
23 the course of the past 35 years, grown into the leading manufacturer of cosmetic cotton  
24 products in North America.  
25  
26 11. U.S. Cotton is deeply committed to its domestic manufacturing and US job creation  
27 initiative. U.S. Cotton utilizes state-of-the-art technology to ensure that its domestic cotton  
28 product manufacturing operations bring jobs back to the United States from overseas.

1 12. U.S. Cotton offers a wide range of branded and private label cotton products to the medical,  
2 health and beauty markets including, cotton balls, cotton pads, cotton rounds, cotton  
3 squares, and cotton swabs.  
4

5 13. One of U.S. Cotton's flagship products is a line of premium cosmetic cotton rounds.

6 14. U.S. Cotton believes that innovation and state-of-the-art technology are integral to its  
7 success. Accordingly, U.S. Cotton actively pursues advancement in its product lines,  
8 including its premium cosmetic cotton round line.  
9

10 15. Generic cotton rounds are well known and have become articles of standard use in the  
11 fields of hygiene, cosmetics, and medicine.

12 16. That said, the articles of standard use historically available on the market exhibited several  
13 undesirable characteristics including a propensity to disintegrate early during use.  
14

15 17. Advancements in cotton round technology permit the manufacture of a superior cotton  
16 round.  
17

18 18. One such advancement is the invention disclosed in the '630 Patent.

19 19. Independent Claim 1 of the '630 Patent reads:

20 A disk for the application and/or absorption of liquid or semisolid substances,  
21 consisting essentially of  
22 at least one upper ply and one lower ply of fibrous material, the upper ply and the  
23 lower ply having unattached edge parts lying one on the other in a sheetlike manner,  
24 the disk having a compression region at a radial distance from the circumference of  
25 the disk,  
26 the compression region being a groove formed on both sides of the edge parts of  
27 the plies,  
28 wherein the fibrous material which is located in the region of the groove is pressed  
together or pinched together in such a way that the plies of fibrous material are  
connected to one another in the region of the groove;  
characterized in that the compression region is provided intermittently.

1 20. Similarly, Dependent Claim 3 of the '630 Patent reads:

2 The disk as claimed in claim 1, having an inner ply located between the upper and  
3 the lower ply, wherein the diameter of the inner ply is at least equal to the diameter  
4 of the outer material plies, wherein the material of the inner ply which is located in  
5 the edge region of the latter lies between the edge material of the outer plies and is  
6 pressed together or pinched together with the edge material.

7 21. U.S. Cotton has been offering premium cosmetic cotton rounds of the type described in the  
8 '630 Patent first as a licensee and, after September 2011, as the patent owner.

9 22. U.S. Cotton currently offers premium cosmetic cotton rounds manufactured according to  
10 the invention disclosed in the '630 Patent under its own SWISSPERS® trademark and as  
11 a private label brand for third parties.

12 23. SWISSPERS® branded premium cosmetic cotton rounds are available to end consumers  
13 via online retailers such as Amazon.com and in brick-and-mortar establishments such as  
14 Kroger and Wal-mart. An illustrative example of U.S. Cotton's SWISSPERS® branded  
15 premium cotton rounds appears below:  
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1 24. U.S. Cotton also offers premium cosmetic cotton rounds manufactured according to the  
2 '630 Patent to third parties for private label branding. An illustrative example of premium  
3 cosmetic cotton rounds manufactured as a private label for Publix appears below:  
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13 **The Infringing Acts of Defendant Cliganic**

14 25. It has recently come to U.S. Cotton's attention that Defendant Cliganic has manufactured,  
15 made, had made, used, practiced, imported, provided, supplied, distributed, sold, and/or  
16 offered for sale products that directly infringe one or more claims of the '630 Patent  
17 (hereinafter, "the Accused Products").  
18

19 26. Specifically, Defendant Cliganic has imported, sold, and offered for sale infringing  
20 premium cosmetic cotton rounds under the brand name CLIGANIC. An illustrative  
21 example of the CLIGANIC branded premium cotton rounds appears below:  
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11 27. The premium cosmetic cotton rounds that Defendant Cliganic imports, sells, and offers for  
12 sale under the brand name CLIGANIC encompass the invention disclosed and claimed in  
13 the '630 Patent.

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15 28. U.S. Cotton does not now, nor has it ever, licensed the invention disclosed and claimed in  
16 the '630 Patent to Defendant CLIGANIC.

17  
18 **COUNT I**  
19 **PATENT INFRINGEMENT**  
20 **(35 U.S.C. §271)**

21 29. Paragraphs 1 - 28 are incorporated by reference herein as though set forth in their entirety

22 30. On March 20, 2007, the '630 Patent was duly and legally issued for an invention for a  
23 "Disk Method for Producing the Same and Device for Carrying Out said Method."

24 31. U.S. Cotton owned the '630 Patent throughout the period of Cliganic's infringement and  
25 is still the owner of all right title and interest in and to the '630 Patent.

26 32. The '630 Patent is, and at all relevant times in past has been, in full force and effect.

1 33. Defendant Cliganic has directly and literally, or, in the alternative, has under the doctrine  
2 of equivalents infringed, and continues to infringe, one or more of the claims of the '630  
3 Patent because it has manufactured, made, had made, used, practiced, imported, provided,  
4 supplied, distributed, sold, and/or offered for sale products that directly infringe one or  
5 more claims of the '630 Patent (hereinafter, "the Accused Products").  
6

7 34. Cliganic has also induced and contributed to the direct literal, or in the alternative under  
8 the doctrine of equivalents, infringement of one or more claims of the '630 Patent, in  
9 violation of 35 U.S.C. § 271, in this judicial district and elsewhere by making, using,  
10 selling, and/or offering for sale Accused Products.  
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12 35. Upon information and belief, Cliganic's Accused Products include, but may not be limited  
13 to, the CLIGANIC brand cotton rounds.  
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15 36. Cliganic will persist in its infringing conduct unless and until enjoined by this Court.

16 37. U.S. Cotton has been damaged as a result of the infringing conduct of Cliganic which is  
17 therefore liable to U.S. Cotton in an amount that adequately compensates U.S. Cotton for  
18 such infringement which cannot be less than a reasonable royalty, together with interest  
19 and costs as fixed by this Court under 35 U.S.C. §284.  
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22 **PRAYER FOR RELIEF**

23 **WHEREFORE**, Plaintiff U.S. Cotton LLC prays for judgment in its favor and against Defendant

24 A to Z Beauty, LLC d/b/a Cliganic as follows:  
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26 A. That Defendant has infringed one or more claims of the '630 Patent;

27 B. That Defendant, its officers, directors, agents, servants, employees, privies,  
28 representatives, attorneys, parent and subsidiary corporations or other related entities,



1 successors, assigns, licensees, retail distributors, and all persons in active concert or  
2 participation with any it, be preliminarily and permanently enjoined from further acts of  
3 infringement of the '630 Patent;  
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5 C. That Plaintiff be awarded damages in an amount to be determined at trial for Defendant's  
6 infringing activities, which are at least a reasonable royalty;

7 D. That Plaintiff be awarded treble damages by reason of any willful, wanton, and deliberate  
8 infringement found under 35 U.S.C. § 284;  
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10 E. That Plaintiff be awarded pre-judgment and post-judgment interest;

11 F. That Plaintiff be awarded its costs and expenses of suit, including expert witness fees;

12 G. That Plaintiff be awarded its attorneys' fees should this be found to be an exceptional case  
13 under 35 U.S.C. § 285;  
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15 H. That Defendant be ordered to deliver to Plaintiff, for destruction at Plaintiff's option, all  
16 products that infringe the '630 Patent;

17 I. That Defendant be required to account for all gains, profits, advantages, and unjust  
18 enrichment derived from its violations of law; and  
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20 J. That Plaintiff be awarded other and further relief as the Court deems appropriate and just.  
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22 **JURY DEMAND**

23 Plaintiff demands a trial by jury on all issues so triable.  
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Respectfully submitted,

**LOZA & LOZA LLP**

Dated: March 26, 2021

By: 

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