

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

COVCO (H.K.) LIMITED,

Plaintiff,

v.

SAS SAFETY CORP. and TNT
ENTERPRISES, INC.,

Defendants.

Civil Action No.

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Covco (H.K.) Limited (“Covco” or “Plaintiff”), for its complaint against Defendant SAS Safety Corp. (“SAS”) and TNT Enterprises, Inc. (“TNT,” and collectively “Defendants”), alleges the following:

NATURE OF THE ACTION

1. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.*

THE PARTIES

2. Covco is a corporation organized under the laws of Hong Kong, China, with a principal place of business at 689 Bhiraj Tower, Emquartier, Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110, Thailand.

3. SAS is a corporation organized under the laws of the State of Delaware, with a principal place of business at 3031 Gardenia Avenue, Long Beach, California 90807. SAS can be served through its registered agent in Delaware: Incorporating Services, Ltd., 3500 S. Dupont Highway, Dover, DE 19901.

4. TNT is a corporation organized under the laws of the State of Delaware, with a principal place of business at 1381 Calle Avanzado, San Clemente, CA 92673. TNT can be served

through its registered agent in Delaware: The Company Corporation, 251 Little Falls Drive, Wilmington, DE 19808.

5. Defendants distribute and sell infringing products throughout the United States, including in this judicial District, and introduce infringing products into the stream of commerce knowing that they will be used in this judicial District and elsewhere in the United States.

JURISDICTION AND VENUE

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

7. This Court has personal jurisdiction over SAS because it has purposefully availed itself of the rights and benefits of the laws of this State and this District. SAS is incorporated in the State of Delaware. This Court also has personal jurisdiction over SAS because it has done and is doing substantial business in this District, both generally and with respect to the allegations in this complaint, including SAS's one or more acts of infringement in this District.

8. Similarly, this Court has personal jurisdiction over TNT because it has purposefully availed itself of the rights and benefits of the laws of this State and this District. TNT is incorporated in the State of Delaware. This Court also has personal jurisdiction over TNT because it has done and is doing substantial business in this District, both generally and with respect to the allegations in this complaint, including TNT's one or more acts of infringement in this District.

9. Venue is proper in this District under 28 U.S.C. §§ 1391(b)-(c) and 1400(b), as SAS and TNT are both incorporated in the State of Delaware.

BACKGROUND

I. COVCO AND ITS INNOVATIVE GLOVES

10. Covco has designed and sold personal protection equipment around the world since 1987. It works closely with customers to create and produce fit-for-purpose personal protective

equipment (PPE) designs for a wide range of industries, including the automotive, food processing, janitorial, and construction industries.

11. Covco's innovative designs have led to the issuance of patents in over 50 countries worldwide.

12. In late 2013, Covco disrupted the market for semi-disposable gloves by creating a glove with a significantly improved grip—the Grippaz glove. Grippaz is a range of semi-disposable gloves which have revolutionized working gloves around the world.

13. Working gloves typically have to combine several sometimes contradictory characteristics. The thickness of the gloves should not hamper tactile sensation. But the gloves should be thick enough to resist rupture.

14. The gloves also have to ensure adequate grip. Working gloves therefore often provide roughened or textured inner and outer surfaces, since working gloves with smooth surfaces can make gripping items difficult.

15. Covco's ambidextrous Grippaz gloves have a unique fish-scale pattern that materially improves grip, particularly when compared with previously available grip patterns (such as diamond patterns, for example).



Grippaz Glove, including close-up of fish-scale pattern

16. Grippaz gloves are notable because that fish-scale pattern appears on both the outside and inside of the gloves. The pattern is embossed on the outside of the glove, and the same pattern debossed on the inside of the glove—the area in contact with the user’s hand.

17. The exterior pattern provides grip against the object being held. Whether holding a dry or wet object, less force is necessary to securely hold the object, which helps minimize hand fatigue.

18. As for the interior pattern, it helps to prevent slippage against the skin and reduces sweating. By minimizing the contact area between the glove and the hand, it also makes it easier for the user to put on or pull off the glove.



Grippaz Glove, including view of inner surface

19. Covco realized that its new design represented a dramatic improvement on the existing state of the art. To protect its invention, Covco applied for protection of its intellectual property. The U.S. Patent & Trademark Office granted design patent No. D735,968 on August 11, 2015 (the '968 patent) (Ex. 1), and utility patent No. 9,730,477 on August 15, 2017 (the '477 patent) (Ex. 2).

II. COVCO ENTERS INTO BUSINESS WITH SAS

20. In 2014, Covco began selling its Grippaz line of gloves, incorporating its patented technology. The gloves enjoyed immediate commercial success.

21. In late 2014, Defendant SAS and Covco agreed to a business arrangement whereby SAS would resell Covco gloves in the United States under an SAS brand name: Astro Grip. SAS, a company headquartered in California, purports to offer head-to-toe safety products and solutions for respiratory, hearing, eyes, hands, body, face, first-aid kits, absorbents, spill containment, and other safety accessories.

22. Pursuant to this agreement, SAS purchased its first shipment of Covco's gloves in November 2014. SAS has since made over 70 additional orders for Covco's gloves—including nearly 25 orders in each of 2016 and 2017.



SAS's Astro Grip Product

23. At all times, Covco acted as a good-faith business partner to SAS. It provided SAS with the requested gloves in a timely manner at a competitive price, and it made every effort to support SAS's marketing efforts. It even allowed SAS to adapt Covco's own copyrighted marketing videos—videos originally designed to promote Covco's Grippaz gloves—to help promote SAS's Astro Grip gloves. The sharing of marketing materials made sense: the SAS Astro Grip gloves and the Covco Grippaz gloves were essentially identical.

III. THIRD-PARTY YTY OBTAINS CONFIDENTIAL INFORMATION FROM COVCO

24. In early 2016, Covco was approached by YTY Industry Holdings ("YTY"), a Malaysian manufacturer of disposable gloves. YTY hoped to manufacture or license Covco's patented gloves. Because of the commercial sensitivity of the manufacturing and pricing information Covco wished to share with YTY, the parties entered into a non-disclosure agreement. (Ex. 3).

25. Covco then shared with YTY information regarding its patented technology, its pricing strategy, and its volume of sales. But after assessing YTY's manufacturing capabilities, Covco decided to entrust another vendor with the manufacture of its gloves.

26. Notwithstanding that decision, YTY remained subject to confidentiality obligations under the non-disclosure agreement. Covco has had no direct contact with YTY since that time.

IV. SAS AND YTY TEAM UP TO COPY COVCO'S GLOVES

27. On August 23, 2017, Covco learned through industry sources that SAS was looking into selling a copy of the Grippaz glove. During the ensuing discussions, Covco reminded SAS that its gloves were patented and could not be copied.

28. But SAS was not deterred. Upon information and belief, and in spite of YTY's confidentiality obligations, SAS and YTY entered into an agreement on or around 2018 to manufacture and distribute nitrile gloves. Those gloves (the "Infringing Gloves") mirrored the Grippaz gloves and incorporated Covco's intellectual property.

29. Pursuant to the agreement, the gloves were manufactured in Malaysia, then shipped to TNT—a US-based glove manufacturer and supplier—responsible for distributing the Infringing Gloves in the United States under the Astro Grip brand.

30. Defendants' Infringing Gloves are identical to the ones Covco previously furnished to SAS. They are sold in a nearly identical box, in identical locations, often under the very same SKU number.

31. Indeed, one of the principal ways to distinguish the two is to determine their place of manufacture. Covco-manufactured Astro Grips are "Made in Thailand," YTY-manufactured Astro Grips are "Made in Malaysia."



Made in Malaysia

Made in Thailand

Infringing Gloves (left) and Covco Astro Grips (right), with designation of origin

32. Defendants' Infringing Gloves incorporate the same fish-scale pattern described in Covco's patents. They are sold in the same color (orange) as Covco's gloves, and in the same thickness options. And they incorporate the Covco fish-scale pattern on both the inside and outside of the gloves:



Infringing Gloves, including close-up of fish-scale pattern

V. COVCO PUTS SAS ON NOTICE OF ITS INFRINGEMENT

33. Covco only learned of the scheme between SAS, TNT and YTY in late 2018. In November 2018, Covco's founder and then-CEO, John Furlong, requested a meeting with the CEO of SAS, Ken Watson, at an industry conference in Shanghai. During that meeting, Mr. Furlong reiterated Covco's view that the Infringing Gloves infringed Covco's patents, and attempted to resolve the dispute. Mr. Watson did not deny the allegations, but instead dared Covco to sue SAS. SAS's infringement continued unabated in the following months.

34. Left with no other option, Covco sent a formal cease and desist letter to Ken Watson, General Manager of SAS, on March 6, 2019. (Ex. 4).

35. The letter made clear that SAS had engaged "in willful and intentional infringement of Covco (H.K.) Ltd.'s . . . intellectual property rights," demanding that SAS cease and desist its infringement immediately. The letter specifically identified the Covco '477 and '968 patents as being infringed by SAS's Infringing Gloves.

36. Counsel for Covco and SAS subsequently met and conferred. Covco explained the basis for its allegations that the Infringing Gloves infringed its patents. Counsel for SAS was unable to offer any support for its clients' claims of non-infringement. Counsel for SAS also conceded that its client had been aware of Covco's patents prior to the March 6, 2019 cease-and-desist letter, and that it had sought to narrowly avoid those patents when designing its gloves.

37. After multiple subsequent email exchanges, counsel for SAS eventually provided Covco with the purported measurements of the Infringing Gloves' fish scales: 0.3 mm depth, 2.5

mm width, and 3.3 mm height. (Ex. 5).¹ These purported measurements—which were inconsistent with Covco’s own measurements of the Infringing Gloves—lacked any explanation as to the testing parameters used. And they failed entirely to address Covco’s allegations of infringement regarding the ’968 patent.

38. On June 2, 2021, Covco sent a follow-up cease and desist letter to counsel for SAS. The letter noted SAS’s failure to support its purported fish-scale measurements with any details regarding the testing it claimed to have performed on the Infringing Gloves. And it reiterated its demand that SAS cease and desist from its willful infringement of Covco’s patents.

39. Counsel for SAS responded on June 30, 2021, claiming that SAS did not know which of its gloves were accused of infringement. That assertion was not made in good faith: Covco had specified during the meet-and-confer that the Astro-Grip gloves were at issue—indeed, counsel for SAS provided measurements of its client’s fish-scale gloves.

40. On September 7, 2021, Covco filed this complaint for patent infringement.

COUNT I – INFRINGEMENT OF U.S. PATENT NO. 9,730,477

41. The allegations set forth in the foregoing paragraphs 1 through 40 are incorporated into this First Claim for Relief.

42. On August 15, 2017, the ’477 patent, entitled *Ambidextrous Fish Scale-Textured Glove*, was duly and legally issued by the United States Patent and Trademark Office.

43. The claimed invention of the ’477 patent addresses grip, dexterity, ease of donning, and other performance issues of then-prevalent working gloves. Among other innovations, its fish-scale pattern ensures greater grip, with less applied pressure by the user. And its inclusion of

¹ By way of comparison, the patent provides for fish-scales dimensions of “*about* 0.4 mm depth, *about* 2.3 mm width, and 3.4 mm height.” ’477 Patent, at 20:8-10 (emphasis added).

the fish-scale pattern on the inside of the glove helps minimize slippage of the hand inside the gloves.

44. Covco is the assignee and owner of the right, title, and interest in and to the '477 patent, including the right to assert all causes of action arising under that patent and the right to any remedies for infringement of it.

45. Defendants have manufactured, used, offered for sale, or sold gloves that infringed, either literally or under the doctrine of equivalents, the '477 patent in violation of 35 U.S.C. § 271(a).

46. Claim 1 of the '477 patent claims an ambidextrous glove, comprising (a) an outer surface, having a front, a back, fingers, and a thumb, having a textured pattern on the front and back of the glove, wherein the first textured pattern is configured to impart the first textured pattern on an inner surface of the glove, and wherein the first textured pattern comprises individual fish scales with *about* 0.4 mm depth, *about* 2.3 mm width, and 3.4 mm height and (b) the inner surface, wherein the first textured pattern of the outer surface is imparted onto the inner surface of the front and the back of the glove, and wherein the first textured pattern of the outer surface imparted onto the inner surface is configured to reduce contact between the inner surface of the glove and a wearer to aid donning of the glove.

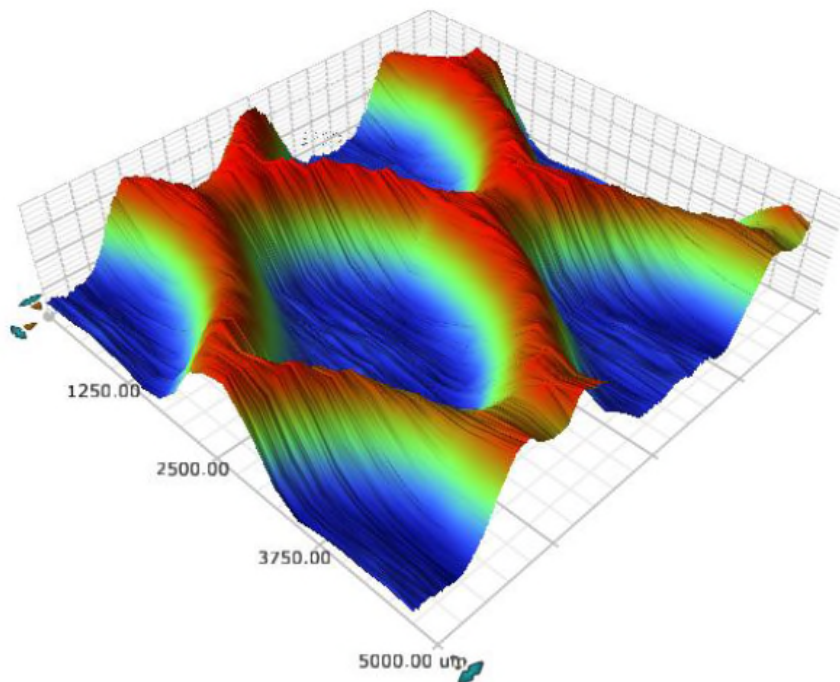
47. During the relevant time periods, Defendants manufactured, used, offered for sale, or sold Infringing Gloves that infringed at least claim 1 of the '477 patent.

48. As shown in the images below, the Infringing Gloves are ambidextrous, and have a fish-scale textured pattern on the front and back of the glove. That textured pattern is configured to impart a fish-scale pattern on the inner surface of the glove too.



Infringing Gloves – front and back views

49. The fish-scale pattern of the outer surface comprises individual fish scales with about 0.4 mm depth, about 2.3 mm width, and 3.4 mm height.



Profilometry view of the fish scales of an Infringing Glove

50. The fish-scale pattern is also imparted on the inner surface of the Infringing Gloves, both on the front and the back.



Infringing Gloves – view of inner surface

51. That fish-scale pattern imparted onto the inner surface of the Infringing Gloves reduces contact between the inner surface of the glove and the user to aid donning of the glove.

52. SAS has been on notice of its infringement of the '477 patent since at least March 6, 2019.

53. SAS's infringement of the '477 patent has been willful.

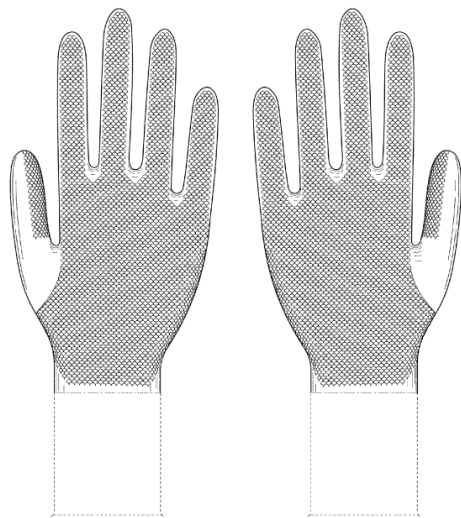
54. Defendants' infringement of the '477 patent has damaged and injured Covco.

COUNT II – INFRINGEMENT OF U.S. PATENT NO. D735,968

55. The allegations set forth in the foregoing paragraphs 1 through 54 are incorporated into this Second Claim for Relief.

56. On August 11, 2015, the '968 patent, entitled *Glove*, was duly and legally issued by the United States Patent and Trademark Office.

57. The claimed invention of the '968 patent is the ornamental design for the glove shown and described, in part, as follows:



'968 Patent, Figs. 2, 3

58. Defendants have manufactured, used, offered for sale, or sold gloves that infringed the '968 patent in violation of 35 U.S.C. § 271(a).

59. As shown in the images below, the Infringing Gloves are substantially similar to the patented design:



SAS Infringing Glove (fish-scale patterned area delineated with marker for clarity)

60. SAS has been on notice of its infringement of the '968 patent since at least March 6, 2019.

61. SAS's infringement of the '968 patent has been willful.

62. Defendants' infringement of the '968 patent has damaged and injured Covco.

JURY DEMAND

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Covco demands a trial by jury on all issues triable as such.

PRAYER FOR RELIEF

WHEREFORE, Covco demands judgment for itself and against Defendants as follows:

- A. An adjudication that Defendants have infringed the '477 patent;
- B. An adjudication that Defendants have infringed the '968 patent;
- C. An adjudication that SAS's infringement of the '477 patent has been willful;
- D. An adjudication that SAS's infringement of the '968 patent has been willful;
- E. An award of damages to be paid by Defendants adequate to compensate Covco for their past infringement of the '477 and '968 patents, and any continuing or future infringement through the date such judgment is entered, including interest, costs, expenses, and an accounting of all infringing acts including, but not limited to, those acts not presented at trial;
- F. An award of a reasonable ongoing royalty for future infringement of the '477 and '968 patents;
- G. A declaration that this case is exceptional under 35 U.S.C. § 285, and an award of Covco's reasonable attorneys' fees; and
- H. An award to Covco of such further relief at law or in equity, including injunctive relief barring further infringement, as the Court deems just and proper.

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Respectfully submitted,

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