

JUDGE KATHLEEN CARDONE

FILED

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION

2005 MAY 13 PM 2:49

CLERK, US DISTRICT COURT
WESTERN DISTRICT OF TEXAS

BY AK
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Chih-Wen Chung,)
An individual and Taiwanese Citizen)

Plaintiff,)

v.)

Civil Action No. _____

The Container Store, Inc.)
A corporation organized under the laws)
of Texas;)

JURY

Defendant.)

EP05CA0182

COMPLAINT

Chih-Wen Chung, complaining of the Container Store, Inc., alleges as follows:

NATURE OF ACTION

1. This is a civil action for patent infringement arising under 35 USC §§ 271, 281, 283, 284, and 287.

THE PARTIES

2. Chih-Wen Chung (“**Chung**”), is a citizen of Taiwan, Republic of China and a resident of Pingjhen City, Taiwan, having a business address at No. 14, Lane 6, Fushou Road, Pingjhen City, Taoyuan County 324, Taiwan, Republic of China.

3. Upon information and belief, the Container Store, Inc., (“**Container Store**”) is a corporation organized and existing under the laws of the State of Texas having a place of business at 9629 Research Blvd, Austin, Texas 78759.

JURISDICTION AND VENUE

4. The Court has jurisdiction over this action pursuant to 28 USC §§ 1331 and 1338(a) and (b) in that the action arises under the patent laws of the United States.

5. Venue is proper in this district pursuant to 28 USC § 1400(b), and 28 USC § 1391(b) & (c) in that, upon information and belief, Container Store is incorporated and has a regular and established place of business within this district. Furthermore, the acts complained of herein occurred, at least in part, within this district.

BACKGROUND

6. Chung is the inventor and sole owner of United States Patent Number 5803584 (“**584**”), a copy of which is attached hereto as Exhibit A. The ‘584 Patent was duly and lawfully issued by the United States Patent and Trademark Office on September 8, 1998.

7. Chung is the inventor and sole owner of United States Patent Number 6511199 (“**199**”), a copy of which is attached hereto as Exhibit B. The ‘199 Patent was duly and lawfully issued by the United States Patent and Trademark Office on January 28, 2003.

8. Chung is the inventor and sole owner of United States Patent Number D415944 (“**944**”), a copy of which is attached hereto as Exhibit C. The ‘944 Patent was duly and lawfully issued by the United States Patent and Trademark Office on November 2, 1999.

9. Chung is the owner of the right, title and interest in and to the ‘584, ‘199, and ‘944 Patents, including the right to assert all causes of action arising under those patents and the right to any remedies for infringement of them.

10. The ‘584, ‘199, and ‘944 Patents (the “**Patents in Suit**”) relate to an innovative structure for hand tools comprising a tool accommodation apparatus and a lighting source (‘199 only).

11. Upon information and belief, Defendant offers to sell, contracts to supply and sells goods to customers throughout the United States, and in Texas, by selling goods that infringe the Patents in Suit. Accordingly, this Court has jurisdiction over Container Store as a result of its location within the district as well as its willful tortious conduct within the state, and the resulting damage to plaintiff suffered within the state.

12. Upon information and belief, Container Store has imported, manufactured, used, sold or offered for sale in this district and throughout the United States, without authorization, consent or permission from Chung, articles that infringe the Patents in Suit.

13. Upon information and belief, Container Store will continue to infringe the Patents in Suit unless enjoined from doing so by this Court.

14. Upon information and belief, the infringement of the Patents in Suit by Container Store has been willful, intentional and deliberate, with knowledge of and conscious disregard for the Chung Patents and the rights of the patent owner. Container Store has continued the complained of actions despite being given written notice by Chung. Container Store sold tools upon which were stamped with the following notification to the public: "US Patent 5803584 Covered by over 20 International Patents." Because each tool sold by Defendant bore the above statement, Container Store clearly had knowledge that the article was within the scope of the patent. In addition, by claiming to the public that the article was patented, Defendant cannot challenge the validity of the patent, nor can Defendant argue that the article infringes the patent. Finally, the legend which appeared on every article sold by Defendant is proof of Defendant's knowledge of the patent and of the fact that the article being imported and sold was within the scope of the patent.

15. A letter to Container Store's Officers, dated August 25, 2004 was sent by Certified mail with Return Receipt and by electronic mail, notifying Container Store of the Patents in Suit relating to the infringing goods being sold by Container Store.

16. Agents for defendant Container Store accepted the notification. Communication between Container Store, counsel for Container Store and counsel for Chung ensued via telephone and electronic mail.

17. Plaintiff at no time has denied an offer for a license or has been paid by the Defendant in any way for the sale of the goods derived from the Patents in Suit. Therefore Defendant has infringed the patent based on 35 USC § 271.

18. Despite notification from Plaintiff to Container Store of its infringement, Container Store has refused either to take a license to the patented technology or to cease its infringing conduct.

19. Plaintiff has satisfied the requirements of the 35 USC § 287 by providing notice of infringement to Container Store and is entitled to collect damages for infringement occurring prior to suit. In addition, Container Store had knowledge of the patents prior to receiving written notice, as evidence by Container Store's use of the patent number printed on the goods that it sold.

20. As a direct and proximate result of the infringement of the Patents in Suit by Container Store, Chung has been damaged and will continue to be damaged unless the continuing infringement by Container Store is enjoined by this Court. The past and continuing damages to Chung have occurred in this district.

COUNT I (INFRINGEMENT OF U.S. PATENT NUMBER 5803584)

21. Chung incorporates herein the allegations set forth in paragraphs 1-22 above.

22. By virtue of its making, using, offering for sale and/or selling hand tools in the United States, Container Store has directly and/or indirectly infringed one or more claims of the '584 patent.

23. Container Store's infringement of the '584 Patent claims has been willful and deliberate.

24. Container Store's infringement of the '584 Patent claims has damaged and continues to damage Chung.

25. Container Store's infringement of the '584 Patent claims has caused and will continue to cause Chung irreparable harm unless enjoined by this Court.

26. Chung has no adequate remedy at law.

COUNT II (INFRINGEMENT OF U.S. PATENT NUMBER 6511199)

27. Chung incorporates herein the allegations set forth in paragraphs 1-28 above.

28. By virtue of its making, using, offering for sale and/or selling hand tools in the United States, Container Store has directly and/or indirectly infringed one or more claims of the '199 patent.

29. Container Store's infringement of the '199 Patent Claims has been willful and deliberate.

30. Container Store's infringement of the '199 Patent claims has damaged and continues to damage Chung.

31. Container Store's infringement of the '199 Patent claims has caused and will continue to cause Chung irreparable harm unless enjoined by this Court.

32. Chung has no adequate remedy at law.

COUNT III (INFRINGEMENT OF U.S. PATENT NUMBER D415944)

33. Chung incorporates herein the allegations set forth in paragraphs 1-34 above.

34. By virtue of its making, using, offering for sale and/or selling hand tools in the United States, Container Store has directly and/or indirectly infringed one or more claims of the '944 patent.

35. Container Store's infringement of the '944 Patent Claims has been willful and deliberate.

36. Container Store's infringement of the '944 Patent claims has damaged and continues to damage Chung.

37. Container Store's infringement of the '944 Patent claims has caused and will continue to cause Chung irreparable harm unless enjoined by this Court.

38. Chung has no adequate remedy at law.

PRAYER FOR RELIEF

WHEREFORE, Chung prays to the Court as follows:

1. That the Court issue preliminary and permanent injunctions pursuant to 35 USC § 283 prohibiting Container Store from making using selling or offering for sale, or inducing others to make use or sell, the invention described in the Patents in Suit;

2. That Chung have and recover damages from Container Store pursuant to 35 USC § 284, including interest from the date of infringement;

3. That the Court award damages adequate to compensate Chung for all acts of infringement of the '584, '199, and 944 Patent claims, including damages for infringement occurring prior to suit by reason of Chung's compliance with 35 U.S.C. § 287 (a), and in no

event less than a reasonable royalty for the use made of the patented inventions by Container Store and its customers, together with prejudgment and post-judgment interest and costs as fixed by the Court, as provided by 35 U.S.C. § 284;

4. That the Court treble the damages awarded to Chung pursuant to 35 USC § 285;

5. That the Court tax Container Store with reasonable attorney's fees pursuant to 35 USC § 285;

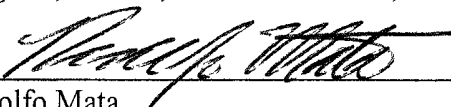
6. That the Court tax Container Store with the costs of this action pursuant to 35 USC § 284; and

7. That the Court grant such other and further relief as it deems just and/or proper.

PLAINTIFF CHIH-WEN CHUNG DEMANDS TRIAL BY JURY.

Respectfully submitted,

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Dated: May 13, 2005

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