UNITED STATES DISTRICT COURT DISTRICT OF NEW JERSEY

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MIDDLE ATLANTIC PRODUCTS, INC., and

ROBERT J. SCHLUTER,

Plaintiffs

v.

VIDEO FURNITURE INTERNATIONAL, INC.,

Defendant.

2007 JUN 13 A 9:51

Civil Action No. DESTRICT COURT

Demand for Jury Trial

07-2819 (JLL)

COMPLAINT

Plaintiffs Middle Atlantic Products, Inc. ("Middle
Atlantic") and Robert J. Schluter ("Schluter"), by its
undersigned attorneys, for its Complaint against Defendant Video
Furniture International, Inc. ("Defendant") alleges as follows:

THE PARTIES

- 1. Plaintiff Middle Atlantic Products, Inc. is a New Jersey corporation with its headquarters and principal place of business at 300 Fairfield Road, Fairfield, New Jersey.
- 2. Plaintiff Robert J. Schluter is the President of Middle Atlantic Products, Inc.
- 3. Upon information and belief, Defendant Video Furniture International, Inc. is a Canadian corporation with its headquarters at 165 McIntosh Drive, Markham, Ontario, L3R 0N6, Canada.

JURISDICTION

- 4. This action arises under the Patent Laws of the United States, 35 U.S.C. §§ 1-376.
- 5. This Court has subject matter jurisdiction over this action based on 35 U.S.C. § 271 and 281 and 28 U.S.C. §§ 1331 and 1338(a).
- 6. This Court has personal jurisdiction over Defendant because it transacts business and has made, used, offered for sale, or sold products that infringe the patent-in-suit in this judicial district.

VENUE

7. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 because a substantial part of the events giving rise to this action occurred in this judicial district, and/or because Defendant does business in this judicial district.

FACTUAL BACKGROUND

8. On August 22, 1995, the United States Patent and Trademark Office ("USPTO") duly and legally issued United States Patent No. 5,443,312 (the "'312 Patent") entitled "Rack Assembly for Facilitating Access to Wall and Cabinet-Mounted Serviceable Equipment." The '312 Patent names Robert J. Schluter as the sole inventor. A true and correct copy of the '312 Patent is

attached as Exhibit SX-1 to the Declaration of Robert Schluter that is filed contemporaneously herewith.

- 9. The inventor of the '312 Patent, Plaintff Schluter has executed a collateral patent assignment to JPMorgan Chase Bank N.A. (successor to Chase Manhattan Bank). Under that assignment, Schluter (and his licensees) have the right to pursue infringers and recover for infringement of the '312 Patent. Schluter has exclusively licensed Middle Atlantic Products, Inc. and its affiliate the right to make use and sell products in the United States under the '312 Patent and to enforce the '312 Patent. The Collateral Patent Assignment is attached as Exhibit SX-9 to Shluter's Declaration.
- 10. Middle Atlantic is a pioneer in the design,
 manufacture, and marketing of rack assembly systems, including
 the AXS System.
- 11. Upon information and belief, Defendant manufactures and sells products to enable a rack assembly to slide from its home position to permit access to both the front and back of the rack, including but not limited to a product identified as "Platform With Tracks" and/or "9217 Platform."

FIRST CLAIM FOR RELIEF - INFRINGEMENT OF THE '312 PATENT

- 12. Plaintiffs incorporate by reference the allegations contained in paragraphs 1-10 above as if fully set forth herein.
- 13. Upon information and belief, Defendant has infringed and is currently infringing the '312 Patent by making, using, offering for sale, and/or selling (directly or through intermediaries) products that fall within the scope of one or more claims of the '312 Patent, and will continue to so infringe the '312 Patent unless enjoined by this Court. Such infringing products include but are not limited to the "Platform With Tracks."
- 14. Upon information and belief, Defendant's infringement of the '312 Patent has been willful.
- 15. In view of the willfulness of Defendant's infringement, this is an "exceptional" case pursuant to 35 U.S.C. § 285.
- 16. Defendant's infringement of the '312 Patent has caused and will continue to cause irreparable injury to Middle Atlantic until Defendant is enjoined from further infringement of the '312 Patent by this Court.

JURY DEMAND

Plaintiffs demand a trial by jury on all matters and issues triable by jury.

PRAYER FOR RELIEF

Plaintiffs respectfully requests that this Court enter judgment against Defendant and award Plaintiffs the following relief:

- (a) Preliminary and permanent injunctive relief enjoining Defendant, its agents, officers, directors, attorneys, affiliated companies and entities, successors, assigns, and all persons in active concert with Defendant, acting on Defendant's behalf or within its control, from making, using, selling, offering to sell, importing, or otherwise engaging in acts of infringement of the '312 Patent;
- (b) An award of damages arising out of Defendant's infringement of the '312 Patent;
- (c) Judgment that the damages be trebled in accordance with 35 U.S.C. § 284;
- (d) Judgment that Plaintiffs be awarded its attorneys' fees, costs, and expenses in accordance with 35 U.S.C. § 285;
- (e) Pre-judgment and post-judgment interest at the highest rates authorized by law;
 - (f) Costs of court; and

(g) Such other and further relief as the Court shall deem appropriate.

MIDDLE ATLANTIC PRODUCTS, INC. and ROBERT J. SCHLUTER

Dated: June 12, 2007

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