1 2 3 4 5 6 7 8	Keith R. Lange (KL 0427) PEQUIGNOT + MYERS LLC 103 Forestville Road P.O. Box 193 Lincoln University, PA 19352 Phone: 610-869-6302 Facsimile: 610-680-3853 Matthew A. Pequignot Michael G. Sullivan PEQUIGNOT + MYERS LLC 1636 R Street, NW Third Floor Washington, D.C. 20009 Phone: 202-328-1200 Facsimile: 202-328-2219 Attorneys for Plaintiffs Instant Fabric Display	EA COLLI A H: 48 LIGHTO STATES ON, LLC,
10	The Hughes Group, and Optima Graphics, Ir	<i>1C</i> .
11	UNITED STATES DIS	STRICT COURT
12	FOR THE DISTRICT OF NEW JERSEY	
13	INSTANT FABRIC DISPLAY, LLC 5610 Wisconsin Ave. NW Suite 1104	Case No. 07-2799 (PGS)
14	Chevy Chase, Maryland 20815	
15	and	COMPLAINT AND DEMAND FOR TRIAL BY JURY FOR PATENT
16	THE HUGHES GROUP 9520 Gerwig Lane	INFRINGEMENT, TRADEMARK INFRINGEMENT, TRADE DRESS
17 18	Unit F Columbia, Maryland 21046	INFRINGEMENT, AND UNFAIR COMPETITION UNDER FEDERAL AND STATE LAWS
19	and	FEDERAL AND STATE LAWS
20	OPTIMA GRAPHICS, INC.	
21	1710 Larkin Williams Fenton, Missouri 63026	
22	Plaintiffs, v.	
23	MCRAE IMAGING INC.	
24	4090A Sladeview Crescent Unit 1	
25	Mississauga, Ontario L5L5Y5	
26	Defendant	
27		
28		
	Complaint	1

Plaintiffs INSTANT FABRIC DISPLAY, LLC, THE HUGHES GROUP, and OPTIMA GRAPHICS INC. (hereinafter referred to as "IFD," "HUGHES," and "OPTIMA," respectively, and collectively referred to as "PLAINTIFFS"), by their attorneys, for their Complaint against Defendant MCRAE IMAGING INC. (hereinafter referred to as "MCRAE") allege as follows:

NATURE OF THE CASE

- 1. This is an action for (i) patent infringement, (ii) trademark infringement, (iii) trade dress infringement, and (iv) unfair competition under federal and state laws.
- 2. PLAINTIFFS seek injunctive relief, damages and other relief against MCRAE.

THE PARTIES

- 3. IFD is a corporation organized and existing under the laws of the state of Maryland, having its principal place of business at 5610 Wisconsin Ave. NW, Suite 1104, Chevy Chase, Maryland 20815.
- 4. HUGHES is a corporation organized and existing under the laws of the state of Maryland, having its principal place of business at 9520 Gerwig Lane, Unit F, Columbia, Maryland 21046
- 5. OPTIMA is a corporation organized and existing under the laws of the state of Missouri, having its principal place of business at 1710 Larkin Williams, Fenton, Missouri 63026.
- 6. Upon information and belief, MCRAE is a corporation organized and existing under the laws of Canada, having its principal place of business at 4090A Sladeview Crescent, Unit 1, Mississauga, Ontario L5L5Y5.

MCRAE'S "TRADEWIND" PRODUCT

- 7. On information and belief, MCRAE markets, offers for sale, and/or sells a product named "TradeWind" (the "TRADEWIND PRODUCT") in the United States, as shown in Exhibit A.
- 8. The TRADEWIND PRODUCT is a visual display product comprised of one or more stretch fabric display panels attached to a foldable frame or frames.
- 9. The TRADEWIND PRODUCT display panels have curved or scalloped borders or sides.
- 10. On information and belief, MCRAE markets and/or offers to sell its TRADEWIND PRODUCT on the internet or worldwide web with the intent that such product be purchased and used throughout each of the United States at tradeshows and the like.
- 11. Upon information and belief, MCRAE sells the TRADEWIND PRODUCT to the company Testrite Visual Products located at 216 South Newman Street, Hackensack, New Jersey 07601.

U.S. PATENT NO. 7,191,555

- 12. On March 20, 2007, United States Patent No. 7,191,555 (hereinafter "the '555 patent"), entitled DISPLAY PANELS, issued to Robert P. Hughes, a copy of which is attached as Exhibit B, and was thereafter duly assigned to IFD.
- 13. IFD, by virtue of the assignment from Mr. Hughes, holds all right, title and interest in the '555 patent.

Complaint

- 14. The '555 patent was duly and legally issued and is still in full force and effect.
- 15. The '555 patent describes and claims embodiments of a display apparatus comprising a foldable display frame having one or more display panels made of stretch fabric such as for use at trade shows and other exhibitions.
- 16. MCRAE's TRADEWIND PRODUCT meets all of the limitations of at least one claim of the '555 patent.
- 17. Upon information and belief, MCRAE has infringed and is now infringing one or more of the claims of the '555 patent literally and/or under the Doctrine of Equivalents by distributing, offering for sale, and/or selling devices covered by one or more claims of the '555 patent within the United States and by contributing to and inducing infringement of others.

XPRESSIONS® TRADEMARK

- 18. The federal registration for the XPRESSIONS® trademark issued to OPTIMA on December 19, 2006. A copy of the registration is attached hereto as Exhibit C.
 - 19. The XPRESSIONS® trademark is valid and in full force and effect.
- 20. OPTIMA is actively engaged in marketing and selling display apparatus comprised of a foldable display frame connected to one or more display panels made of stretch fabric. OPTIMA has used the XPRESSIONS® trademark in association with its sale and marketing of such display apparatus in interstate commerce since at least as early as April 2005.

Complaint

- 21. The XPRESSIONS® product has been extremely successful since introduction into the U.S. market.
- 22. OPTIMA has spent significant amounts of money, time, and effort advertising and promoting the XPRESSIONS® product.
- 23. Upon information and belief, MCRAE uses the XPRESSIONS® trademark (along with Optima's tagline "DEFY TRADITION") in connection with the marketing and sale of the TRADEWIND PRODUCT, as shown by a copy of a packaging label attached as Exhibit D.
- 24. MCRAE's use of the XPRESSIONS® trademark is without OPTIMA'S authorization and is likely to confuse and/or is causing the public to be confused, deceived or mistaken regarding the source or sponsorship of MCRAE's products offered for sale or sold under the "XPRESSIONS" name or as to a possible affiliation with or sponsorship by PLAINTIFFS.

PLAINTIFFS' TRADE DRESS

- 25. PLAINTIFFS, jointly, have made significant efforts and expended substantial funds to develop, market, and sell visual display products that employ certain distinctive, visible features.
- 26. These distinctive, non-functional, visible features, each separately representing individual trade dress rights, but collectively hereinafter referred to as "PLAINTIFFS' TRADE DRESS", include the following:
- i. Display panels, mounted on frames, having curved or scalloped borders or sides;

- ii. Stretch fabric display panels, mounted on frames, having curved or scalloped borders or sides;
- iii. Stretch fabric display panels having generally non-stretched central portions and generally stretched border, edge, or corner portions;
- iv. Frames having multiple display panels mounted thereon with one or more display panels mounted in non-coplanar relation to one or more of the other display panels.
- 27. PLAINTIFFS have spent significant amounts of money, time, and effort advertising and promoting PLAINTIFFS' TRADE DRESS.
- 28. PLAINTIFFS' advertising and promotional materials for certain display products prominently tout and/or display PLAINTIFFS' TRADE DRESS. Examples of these advertising materials are attached as Exhibits E and F.
- 29. The visual appearance of PLAINTIFFS' TRADE DRESS, embodied by PLAINTIFFS' products, is markedly different in appearance than prior existing display products and is readily distinguishable from display products not employing such distinctive features.
- 30. Over time, PLAINTIFFS' TRADE DRESS has acquired distinctiveness or secondary meaning as persons in the relevant channels of trade recognize and associate PLAINTIFFS' TRADE DRESS as identifying PLAINTIFFS' products as originating from a particular source.
- 31. PLAINTIFFS' TRADE DRESS is non-functional, i.e., it is neither essential to the use or purpose of the display panels or a foldable display frame

containing the display panels, nor does it affect the cost of the display panels or foldable display frames.

32. MCRAE makes, uses, markets, offers for sale, and sells products, including the TRADEWIND PRODUCT, which copy or otherwise embody the distinctive features of PLAINTIFFS' TRADE DRESS thereby infringing PLAINTIFFS' TRADE DRESS.

FIRST CLAIM FOR RELIEF

Patent Infringement

- 33. This claim for patent infringement arises under Title 35, United States Code, § 271.
- 34. PLAINTIFFS repeat, reallege, and incorporate by reference each and every allegation above as if set forth fully herein.
- 35. This Court has jurisdiction of this action under 28 U.S.C. §§ 1331 and 1338. Venue is proper in this District under 28 U.S.C. §§ 1391(b), (c), and (d) and 28 U.S.C. §1400.
- 36. On information and belief, MCRAE has infringed and is now infringing one or more claims of the '555 patent literally and/or under the Doctrine of Equivalents by manufacturing, distributing, importing, offering for sale, and/or selling products covered by one or more claims of the '555 patent within the United States and by contributing to and inducing infringement of others.
- 37. MCRAE will continue to infringe one or more claims of the '555 patent literally and/or under the Doctrine of Equivalents to PLAINTIFFS' great and irreparable harm unless it is enjoined by this Court.

Complaint

Complaint

trademark in that the public is likely to be and/or has actually been confused, deceived or mistaken regarding the source or sponsorship of MCRAE's products offered for sale or sold under the "XPRESSIONS" name.

- 46. These acts of MCRAE constitute false and misleading representations of fact as to the right to reproduce, display and distribute the XPRESSIONS® trademark in association with MCRAE's TRADEWIND PRODUCT in violation of 15 U.S.C. §1125(a).
- 47. MCRAE's infringements of OPTIMA's trademark is willful and deliberate and with an intent to reap the benefit of OPTIMA's goodwill.
- 48. The aforesaid conduct of MCRAE is causing OPTIMA immediate and irreparable injury for which OPTIMA has no adequate remedy at law.

THIRD CLAIM FOR RELIEF

Trade Dress Infringement under 15 U.S.C. § 1125(a) (Section 43(a) of the Lanham Act)

- 49. This claim for trade dress infringement arises under Title 15, United States Code, § 1125(a).
- 50. PLAINTIFFS repeat, reallege, and incorporate by reference each and every allegation above as if set forth fully herein.
- 51. This Court has jurisdiction of this action under 15 U.S.C. §1121 and 28 U.S.C. §§ 1331 and 1338. Venue is proper in this District under 28 U.S.C. §§ 1391 (b), (c), and (d).
- 52. By making, advertising, offering to sell, and selling the TRADEWIND PRODUCT, MCRAE is likely to confuse and/or actually confuses

Complaint

the public into believing that its TRADEWIND PRODUCT is produced by PLAINTIFFS or have been authorized by, sponsored by, or are in some way associated with PLAINTIFFS.

- 53. These acts by MCRAE are likely to cause confusion, mistake or deception as to the origin, connection, association, sponsorship or approval of MCRAE and its TRADEWIND PRODUCT by or with PLAINTIFFS and its products, and thus constitutes false designation of origin in violation of 15 U.S.C. §1125(a).
- 54. These acts of MCRAE constitute false and misleading representations of fact as to the right to reproduce, display and distribute PLAINTIFFS' TRADE DRESS in association with MCRAE's TRADEWIND PRODUCT in violation of 15 U.S.C. §1125(a).
- 55. MCRAE has deceptively used, and continues to use, confusingly similar trade dress to PLAINTIFFS' TRADE DRESS, which is likely to cause confusion, to cause mistake and to deceive as to MCRAE's affiliation, connection or association with PLAINTIFFS.
- 56. MCRAE's acts are calculated to deceive, or are likely to deceive, the public who recognizes and associates PLAINTIFFS' TRADE DRESS with PLAINTIFFS. Moreover, this conduct is likely to cause confusion, to cause mistake or to deceive the public as to the source of MCRAE's products, or as to a possible affiliation with or sponsorship by PLAINTIFFS.
- 57. MCRAE's conduct has caused PLAINTIFFS to suffer and, unless enjoined by the Court, will cause PLAINTIFFS to continue to suffer damage as to its operation, reputation, and goodwill. PLAINTIFFS have and will continue to

suffer the loss of sales and profits due to MCRAE's acts. MCRAE has been and will continue to be unjustly enriched by its unlawful acts.

58. PLAINTIFFS have no adequate remedy at law. MCRAE's conduct has caused and, if not enjoined, will continue to cause irreparable damage to PLAINTIFFS. As a result of MCRAE's wrongful conduct, PLAINTIFFS are entitled to injunctive relief.

FOURTH CLAIM FOR RELIEF

Unfair Competition under 15 U.S.C. § 1125(a) (Section 43(a) of the Lanham Act)

- 59. This claim for unfair competition arises under 15 U.S.C. § 1125(a) (Section 43(a) of the Lanham Act) and alleges the use in commerce of false designations of origin, false description and false representations.
- 60. PLAINTIFFS repeat, reallege, and incorporate by reference each and every allegation above as if set forth fully herein.
- 61. This Court has jurisdiction of this action under 15 U.S.C. §§ 1121 and 1125(a) and 28 U.S.C. §§ 1331 and 1338. Venue is proper in this District under Title 28 U.S.C. §§ 1391(b), (c), and (d).
- 62. MCRAE's use of the trademark "XPRESSIONS" and PLAINTIFFS' TRADE DRESS constitutes a use in commerce of a false designation of origin and a false and misleading description and representation of goods and services, and containers for goods, in commerce, with knowledge of the falsity, which has and is likely to cause confusion, mistake and deception, and a use in commercial advertising and promotion which misrepresents the nature, characteristics, qualities

and origin of MCRAE's goods, all within the meaning and in violation of 15 U.S.C. §1125(a).

- 63. Upon information and belief, the aforesaid acts of MCRAE were committed willfully, knowingly, maliciously, and in conscious disregard of PLAINTIFFS' rights.
- 64. The aforesaid conduct of MCRAE has caused, and unless retrained by this Court will continue to cause, immediate and irreparable injury to PLAINTIFFS' property and business.
- 65. The aforesaid conduct of MCRAE has caused PLAINTIFFS to sustain monetary damage, loss, and injury in an amount to be determined at the time of trial.

FIFTH CLAIM FOR RELIEF

Trade Dress Infringement and Unfair Competition under Common Law

- 66. This claim for trade dress infringement and unfair competition arises under the common law of the state of New Jersey.
- 67. PLAINTIFFS repeat, reallege, and incorporate by reference each and every allegation above as if set forth fully herein.
- 68. This Court has jurisdiction of this action under 28 U.S.C. §§ 1332 and 1367 and under common law principals of pendant jurisdiction. Venue is proper in this District under 28 U.S.C. §1391 (b), (c), and (d).
- 69. MCRAE's acts constitute common law trade dress infringement, misappropriation of PLAINTIFFS' goodwill and unfair competition in the state of

Complaint

New Jersey, including this District, and other states where MCRAE's 1 2 3 4 monetary damages and irreparable injury. 5 6 SIXTH CLAIM FOR RELIEF 7 Trade Dress Infringement and 8 9 pursuant to N.J.S.A. §56:4-1 et. seq. 10 70. 11 under New Jersey statutory law pursuant to N.J.S.A. §56:4-1 et. seq. 12 13 71. 14 every allegation above as if set forth fully herein. 15 72. 16 17 this District under 28 U.S.C. §1391 (b), (c), and (d). 18 19 MCRAE's acts constitute statutory trade dress infringement, 73. 20 21

TRADEWIND PRODUCT is being offered for sale, advertised, or distributed, and are a violation of the common law of the state of New Jersey and laws of other states, by reason of which PLAINTIFFS have suffered, and will continue to suffer,

Unfair Competition under New Jersey statutory law

- This is an action for trade dress infringement and unfair competition
- PLAINTIFFS repeat, reallege, and incorporate by reference each and
- This Court has jurisdiction of this action under 28 U.S.C. §§ 1332 and 1367 and under common law principals of pendant jurisdiction. Venue is proper in
- misappropriation of PLAINTIFFS' goodwill and unfair competition in the state of New Jersey, including this District, and other states where MCRAE's TRADEWIND PRODUCT is being offered for sale, advertised, or distributed, and are a violation of the statutory law of the state of New Jersey and laws of other states, by reason of which PLAINTIFFS have suffered, and will continue to suffer, monetary damages and irreparable injury.

Complaint

22

23

24

25

26

27

WHEREFORE, PLAINTIFFS pray that this Court enter judgment in their favor on each and every claim for relief set forth above and award them relief, including, but not limited to:

- A. That this Court order, adjudge, and decree that MCRAE has infringed the '555 patent.
- B. That this Court order, adjudge, and decree that MCRAE has infringed the XPRESSIONS® trademark.
- C. That this Court order, adjudge, and decree that MCRAE willfully and knowingly infringed the XPRESSIONS® trademark.
- D. That this Court order, adjudge, and decree that MCRAE has infringed PLAINTIFFS' TRADE DRESS under 15 U.S.C. §1125(a).
- E. That this Court order, adjudge, and decree that MCRAE willfully and knowingly infringed PLAINTIFFS' TRADE DRESS.
- F. That this Court order, adjudge, and decree that MCRAE has engaged in unfair competition.
- G. That this Court order, adjudge, and decree that MCRAE willfully and knowingly engaged in unfair competition.
- H. Preliminary and permanent injunctions restraining MCRAE and its officers, agents, servants, and employees, from directly or indirectly making or causing to be made, importing, offering for sale, selling or causing to be sold, or using or causing to be used, any product determined to fall within the scope of one or more claims of the '555 patent, or otherwise directly infringing, or contributing to or inducing the infringement of others.

Complaint

- I. Preliminary and permanent injunctions, enjoining MCRAE and its officers, directors, employees, agents, subsidiaries, and all persons in active concert or participation with any of them from using the XPRESSIONS® trademark or PLAINTIFFS' TRADE DRESS, or any colorable imitation or other unauthorized use thereof, or any other false suggestion of origin, sponsorship, approval, affiliation or connection with PLAINTIFFS and their products.
- J. That this Court order MCRAE, its officers, agents, servants and employees to deliver up to this Court for destruction all products infringing upon, directly or otherwise, any claim of the '555 patent.
- K. That this Court order MCRAE, its officers, agents, servants and employees to deliver up to this Court for destruction all products and promotional literature displaying their infringing use of the XPRESSIONS® trademark or PLAINTIFFS' TRADE DRESS, including but not limited to products, promotional literature, decals, labels, signs, prints, packages, wrappers, receptacles, and advertisements.
 - L. That this Court order MCRAE to pay the costs of this action.
- M. That MCRAE be ordered to account for and pay over all proceeds made from said wrongful infringing acts and to account for and pay to PLAINTIFFS damages in a sum to be determined by the Court.
- N. That this Court order MCRAE to pay to PLAINTIFFS pre- and post-judgment interest.
- O. That, given the exceptional circumstances of this case, the Court order MCRAE to pay to PLAINTIFFS reasonable attorneys' fees and all other costs which may be incurred by PLAINTIFFS under 15 U.S.C. § 1117.

Complaint

1	P. Awarding PLAINTIFFS treble damages to compensate PLAINTIFFS		
2	under 15 U.S.C. § 1117.		
3 4 5 6 7 8 9	Q. Directing such other relief as the Court may deem appropriate to prevent the trade and public from deriving any erroneous impression that any display products manufactured, sold or otherwise circulated or promoted by MCRAE are authorized by PLAINTIFFS or related in any way to PLAINTIFFS or their products. R. That this Court grant to PLAINTIFFS such other and further relief as it may deem just and equitable.		
11			
12	<u>JURY DEMAND</u>		
13	Pursuant to Federal Rule of Civil Procedure 38(b), PLAINTIFFS hereby demand a trial by jury on all issues so triable.		
14			
15			
16	Respectfully submitted,		
17 18	PEQUIGNOT + MYERS LLC		
19	Attorneys for Plaintiffs Instant Fabric Display, LLC, The Hughes Group,		
20	and Optima Graphics, Inc.		
21	Dated: June 8, 2007		
22	Keith R. Lange (KL 0427)		
23	CERTIFICATION PURSUANT TO LOCAL CIVIL RULE 11.2		
24	The undersigned hereby certifies, pursuant to Local Civil Rule 11.2, that with respect to the matter in controversy herein, neither plaintiffs nor plaintiffs' attorneys are aware of any other action pending in any court, or of any pending arbitration or administrative proceeding, to which this matter is subject.		
25			
26 27			
2 <i>1</i> 28	PEQUIGNOT + MYERS LLC		

Complaint

Attorneys for Plaintiffs Instant Fabric Display, LLC, The Hughes Group, and Optima Graphics, Inc.

Keith R. Lange (KL 0427)