

**ORIGINAL**

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

FILED IN CLERK'S OFFICE  
U.S.D.C. Atlanta

JUL 31 2006

LUTHER D. THOMAS, Clerk  
By *[Signature]*  
Deputy Clerk

BLACKPOWDER PRODUCTS, INC.,

Plaintiff,

v.

WILLIAMS GUN SIGHT COMPANY,  
INC.,

Defendant.

Civil Action No. \_\_\_\_\_

**1:06-CV-1788**

**COMPLAINT**

Plaintiff Blackpowder Products, Inc. ("Blackpowder"), by and through its attorneys, alleges the following:

1. This is a civil action arising under the Patent Laws of the United States (35 U.S.C. §§101 *et seq.*), the Declaratory Judgment Act (28 U.S.C. §§2201 *et seq.*), and state and federal unfair competition laws (O.C.G.A. §§ 10-1-372 and 10-1-393, and 15 U.S.C. § 1125), seeking declaratory judgment that United States Patent Number 6,701,660 ("the '660 patent") is invalid and/or not infringed by Blackpowder; that Robert Hickey should have been named as at least a co-inventor

of the '660 patent; and that Williams Gun Sight Co., Inc. ("Williams") has engaged in unfair and deceptive trade practices. A copy of the '660 patent is included as Attachment 1 hereto.

### **THE PARTIES**

2. Plaintiff Blackpowder Products, Inc. is a corporation organized and existing under the laws of the State of Georgia. Blackpowder maintains its principal place of business at 5900 Peachtree Corners, Norcross, GA 30071. Blackpowder markets certain rifle accessories and equipment under the brand name Durasight.

3. On information and belief, Defendant Williams Gun Sight Co., Inc. is a Michigan corporation and maintains its principal place of business at 7389 Lapeer Road, Davison, Michigan 48423.

4. On information and belief, Williams sells gun accessories nationally, including in the state of Georgia.

5. Williams claims to own the '660 patent.

**FACTS**

6. In or about early 2000, Robert Hickey, Blackpowder's Chief Executive Officer, conceived the idea of a universal scope mount system allowing mounting to multiple different types of firearms. This mount system incorporated mounting plates having multiple pairs of mounting bores (the "multiple-bore-pair mount system").

7. Mr. Hickey thereafter disclosed the multiple-bore-pair mount system concept to Williams, and an agreement was reached on December 5, 2000 whereby Williams would manufacture the multiple-bore-pair mount system and sell it exclusively to Blackpowder. The Sales Agreement is included as Attachment 2 hereto.

8. Before February 20, 2001, Williams began producing the multiple-bore-pair mount system and selling that system to Blackpowder.

9. Blackpowder made a number of offers to sell the multiple-bore-pair mount system being purchased from Williams to Blackpowder's customers prior to February 20, 2001. A number of these offers were accepted and actual sales made prior to February 20, 2001. Redacted copies of representative purchase orders for such sales are included as Attachment 3 and Attachment 4 hereto.

10. On or about February 20, 2002, Williams filed a patent application for a universal scope mount that embodied the multiple-bore-pair mount system. This application matured into the '660 patent.

11. The February 20, 2002 filing date of Williams' application for patent is more than one year after the prior sales activities by Williams and Blackpowder identified in one or more of Attachment 2, Attachment 3 and/or Attachment 4 hereto.

12. Subsequently, Blackpowder independently developed a new and different universal scope mounting system not having mounting plates with multiple pairs of bores therein, known as the DuraSight Universal Muzzleloader Mount (the "DuraSight system").

13. After learning of Blackpowder's DuraSight system, on or about November 22, 2005, Williams terminated its sales agreement with Blackpowder for the multiple-bore-pair mount system.

14. Thereafter, Williams began selling the multiple-bore-pair mount system to one of Blackpowder's competitors, Thompson/Center Arms.

15. On January 17, 2006, Williams sent a letter to Blackpowder asserting the '660 patent against Blackpowder's DuraSight system. Williams's January 17, 2006 letter is included as Attachment 5 hereto.

16. On March 10, 2006, Blackpowder replied to Williams's letter explaining why Blackpowder's DuraSight system did not infringe the '660 patent. Blackpowder's March 10, 2006 reply is included as Attachment 6 hereto.

17. Blackpowder's reply placed Williams on notice that every claim of the '660 patent required "a pair of longitudinally spaced apart mounting plates," each of which require "a plurality of pairs" or "three pairs" of "longitudinally spaced vertically disposed throughbores".

18. Blackpowder's reply further placed Williams on notice that Blackpowder's DuraSight system did not include "a pair of longitudinally spaced apart mounting plates," each having "a plurality of pairs" or "three pairs" of "longitudinally spaced vertically disposed throughbores" as required by the '660 patent.

19. Blackpowder's reply further placed Williams on notice that because Blackpowder's DuraSight system did not meet these claim requirements of the '660 patent, Blackpowder's DuraSight system did not infringe the '660 patent, either literally or under the doctrine of equivalents.

20. Despite having received Blackpowder's March 10, 2006 reply, on or about June 21, 2006 Williams sent another letter to Blackpowder asserting infringement of the '660 patent by Blackpowder's DuraSight system and

threatening litigation for monetary damages and injunctive relief. Williams's June 21, 2006 letter is included as Attachment 7 hereto.

21. Also on or about June 21, 2006, Williams sent letters to at least two of Blackpowder's customers asserting infringement of the '660 patent by Blackpowder's DuraSight system and threatening litigation against both customers should they continue to sell Blackpowder's DuraSight system. Williams's June 21, 2006 letters to Blackpowder's customers are included as Attachment 8 and Attachment 9 hereto.

22. In these letters to Blackpowder's customers, Williams portrayed its distributors as the only entities legally allowed to sell a universal scope mount, and offered its contact information to that effect.

23. As a result of Williams's letter, at least one of Blackpowder's customers has discontinued selling Blackpowder's Durasight system, resulting in lost sales to Blackpowder.

24. Through counsel, Blackpowder made Williams aware of the sales activities prior to the critical date of the '660 patent, and made Williams aware that those prior sales activities render the '660 patent invalid under the on-sale bar of 35 U.S.C. §102(b), and requested retraction of the assertions of infringement against Blackpowder and its customers.

25. To date, Williams has not retracted its assertions of infringement against Blackpowder and its customers.

### **JURISDICTION AND VENUE**

26. Blackpowder brings this complaint against Williams on three grounds: first, pursuant to the patent laws of the United States, Title 35 of the United States Code; second, pursuant to the Uniform Deceptive Trade Practices Act of the State of Georgia, Georgia Code Sections 10-1-372 and 10-1-393; and third, pursuant to the unfair competition laws of the United States, Title 15 of the United States Code.

27. This Court has subject matter jurisdiction over this action. This action arises under the patent laws of the United States, and jurisdiction is proper pursuant to 28 U.S.C. §§ 1331, 1338, and 2201.

28. Jurisdiction is also proper, as this action arises under the unfair competition laws of the United States, pursuant to 15 U.S.C. § 1121.

29. This court may properly exercise personal jurisdiction over Williams, and venue in this District is proper. Jurisdiction and venue are proper for reasons including without limitation: (a) A substantial part of the events giving rise to the instant claim for declaratory relief and the subject matter thereof occurred in this district, including, without limitation, that Blackpowder received the “cease and

desist” letter from Williams in this district, that Blackpowder’s principal place of business is located in this district, and/or that Williams conducted a substantial amount of business with Blackpowder and others in this district, 28 U.S.C. § 1391; and/or (b) Williams is subject to personal jurisdiction in this district pursuant to O.C.G.A. § 9-10-91.

**EXISTENCE OF AN ACTUAL CONTROVERSY**

30. There is an actual controversy within the jurisdiction of this court under 28 U.S.C. §§ 2201 et seq.

31. In at least one written communication, Williams’s attorney threatened litigation against Blackpowder by stating, “You should note that the commercial importance for our client’s patent is such that in the event the parties do not reach a mutually agreeable understanding concerning future commercialization of your client’s product, Williams Gun Sight Company will have no alternative but to consider escalating this matter to the judiciary to seek appropriate monetary damages and injunctive relief.”

32. Blackpowder denies that the ‘660 patent is or has been infringed by Blackpowder and disputes its validity.

33. Based on Williams’s communications with Blackpowder, Williams’s communications with Blackpowder’s customers, Williams’s assertion that



Blackpowder infringes the '660 patent, and/or Williams's assertion that it would engage in litigation with Blackpowder and/or its customers unless there was a mutually agreeable resolution, Williams has created in Blackpowder a reasonable apprehension that it will initiate a patent infringement suit against Blackpowder, alleging that Blackpowder infringes the '660 patent.

34. An actual and justiciable controversy exists between Blackpowder and Williams as to whether the '660 patent is invalid and/or infringed.

35. Absent a declaration of invalidity and/or noninfringement, Williams will continue to wrongfully assert the '660 patent against Blackpowder and/or its customers, thereby causing Blackpowder more irreparable injury and damage than it has already caused.

**COUNT I**

**FOR DECLARATORY JUDGMENT**

**OF INVALIDITY OF THE '660 PATENT**

36. Blackpowder hereby restates and realleges the allegations set forth in paragraphs 1-35 above and incorporates them here by reference.

37. The claims of the '660 patent are invalid for failure to comply with the requirements of the patent laws of the United States, including but not limited to the provisions of 35 U.S.C. § 101, 102, 103, and/or 112.

38. For example, under 35 U.S.C. § 102(b) the '660 patent is invalid for being on sale more than one year before the '660 patent application date, as evidenced by Blackpowder's sales contract with Williams (Attachment 2 hereto) and/or the purchase orders from Blackpowder's customers (Attachment 3 and Attachment 4 hereto).

39. Accordingly, Blackpowder is entitled to declaratory judgment of invalidity of the '660 patent.

**COUNT II**

**FOR DECLARATORY JUDGMENT OF  
NONINFRINGEMENT OF THE '660 PATENT**

40. Blackpowder hereby restates and realleges the allegations set forth in paragraphs 1-39 above and incorporates them here by reference.

41. Blackpowder has not infringed, and is not infringing, either directly or indirectly, any claim of the '660 patent.

42. Blackpowder's Durasight system does not infringe any claim of the '660 patent.

43. Accordingly, Blackpowder is entitled to declaratory judgment of non-infringement of the '660 patent by the Durasight system.

**COUNT III**

**FOR DECLARATORY JUDGMENT OF  
INVENTORSHIP BY ROBERT HICKEY ON THE '660 PATENT**

44. Blackpowder hereby restates and realleges the allegations set forth in paragraphs 1-43 above and incorporates them here by reference.

45. Robert Hickey is an inventor or co-inventor of the invention claimed in the '660 patent.

46. Defendant failed to name Mr. Hickey as an inventor as required under 35 U.S.C. § 116.

47. Accordingly, the '660 patent should be corrected to name Mr. Hickey as an inventor, or the patent held invalid for improper inventorship.

#### **COUNT IV**

##### **UNFAIR COMPETITON UNDER STATE LAW**

48. Blackpowder hereby restates and realleges the allegations set forth in paragraphs 1-47 above and incorporates them here by reference.

49. Defendant, through its portrayals to Blackpowder's customers of false or misleading representation of fact, has disparaged Blackpowder's goods, services, and business.

50. Defendant, through its refusal to retract its prior allegations of infringement against Blackpowder and its customers, has engaged in and continues to engage in unfair competition against Blackpowder, and is unjustly benefiting from its wrongful conduct.

51. Accordingly, Defendant's actions violate Georgia Code Sections 10-1-372 and 10-1-393, and/or the laws of one or more other states, and Blackpowder is entitled to relief thereunder.

**COUNT V**

**UNFAIR COMPETITION UNDER FEDERAL LAW**

52. Blackpowder hereby restates and realleges the allegations set forth in paragraphs 1-51 above and incorporates them here by reference.

53. Defendant, through its portrayals to Blackpowder's customers, has in connection with goods and services, used in commerce a false or misleading description of fact, or a false or misleading representation of fact, which is likely to cause confusion or mistake.

54. Accordingly, Defendant's actions violate United States Code, Title 15 Section 1125, and Blackpowder is entitled to relief thereunder.

**REQUEST FOR RELIEF**

WHEREFORE, Blackpowder respectfully requests that this Court enter judgment as follows:

- A. Preliminarily and permanently enjoining Williams and its officers, directors, partners, agents, servants, employees and attorneys, and those persons in active concert or participation with Williams from representing by any means whatsoever, either directly or indirectly, or doing any other acts or things calculated or likely to cause mistake, confusion, or uncertainty or to deceive others into believing that Blackpowder's DuraSight system violate any of Williams's intellectual property rights;
- B. Preliminarily and permanently enjoining Williams and its officers, directors, partners, agents, servants, employees and attorneys, and those persons in active concert or participation with Williams from representing by any means whatsoever, either directly or indirectly, or doing any other acts or things calculated or likely to cause mistake, confusion, or uncertainty or to deceive others into believing that the '660 patent is valid and enforceable.
- C. Issuing a preliminary injunction directing Williams to retract its assertions of infringement against Blackpowder and its customers, to rectify the

irreparable harm otherwise resulting to Blackpowder, and for which later damages will be inadequate compensation.


- D. Under Count I, declaring that the claims of the '660 patent are invalid;
- E. Under Count II, declaring that Blackpowder's and its customers' actions in developing, manufacturing, advertising, stocking, selling, offering for sale, advertising, reselling, using, installing, or otherwise using its universal scope mount technology, including the Durasight system, do not infringe the '660 patent;
- F. Under Count III, declaring that Mr. Hickey should have been named as at least a joint inventor of the '660 patent and amending the '660 patent pursuant to 35 U.S.C. § 256 to add Mr. Hickey as a sole or joint inventor of the '660 patent;
- G. Under Count IV, finding that Williams has engaged in unfair competition against Blackpowder in violation of state law;
- H. Under Count V, finding that Williams has engaged in unfair competition against Blackpowder in violation of federal law;
- I. Awarding Blackpowder its damages to be proved at trial, attorneys' fees, and costs in connection with this case pursuant to 15 U.S.C. § 1117 or as otherwise authorized under law, and/or declaring this case exceptional under

35 U.S.C. § 285 and awarding Blackpowder its attorneys' fees and costs in connection with this case;

J. Awarding Blackpowder such other and further relief as this Court deems just and proper.

Respectfully submitted this 31st day of July, 2006

GARDNER GROFF SANTOS & GREENWALD, P.C.

By: 

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