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PACIFIC LOCK COMPANY
7

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
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11 PACIFIC LOCK COMPANY,

12 Plaintiff,

13 v.

14 THE EASTERN COMPANY d/b/a CCL
SECURITY PRODUCTS, WORLD
15 LOCK CO. LTD., DONGGUAN
REEWORLD SECURITY PRODUCTS
16 LTD., and DOES 1-10, inclusive,

17 Defendants.
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Case No.: _____

Hon. Judge _____

COMPLAINT FOR:

- (1) **DIRECT PATENT INFRINGEMENT**
- (2) **INDUCEMENT OF PATENT INFRINGEMENT**
- (3) **CONTRIBUTORY PATENT INFRINGEMENT**
- (4) **UNFAIR COMPETITION**

[JURY TRIAL REQUESTED]

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COMPLAINT

1 Plaintiff Pacific Lock Company (hereinafter, "Pacific Lock"), by and through
2 its undersigned attorneys, hereby brings this Complaint against the following
3 Defendants for the following causes of action:

4 (a) The Eastern Company d/b/a CCL Security Products, World Lock Co.
5 Ltd. and Dongguan Reeworld Security Products Ltd. for (1) direct patent
6 infringement, (2) inducement of patent infringement, (3) contributory patent
7 infringement and (4) unfair competition; and

8 (b) Those Defendants sued herein under the fictitious names of Does 1-10
9 for direct patent infringement.

10 **THE PARTIES**

11 1. Pacific Lock is a California corporation with its principal place of
12 business located at 25605 Hercules Street, Valencia, CA 91355. Pacific Lock is
13 engaged in the business of making, selling, and promoting physical security products
14 including, without limitation, hidden shackle style locks, including in this judicial
15 district and worldwide.

16 2. Pacific Lock is informed and believes, and on that basis alleges, that The
17 Eastern Company ("Eastern Company") is a Connecticut corporation with its principal
18 place of business at 112 Bridge Street, Naugatuck, CT 06770. Upon information and
19 belief, Eastern Company is engaged in the business of making, selling, and promoting
20 physical security products including, without limitation, hidden shackle style locks,
21 including in this judicial district and worldwide. Upon information and belief, Eastern
22 Company also uses the trade name CCL Security Products in connection with making,
23 selling, and/or promoting physical security products including, without limitation,
24 hidden shackle style locks, including in this judicial district and worldwide at a
25 business address located at 301 W. Hintz Road, Wheeling, IL 60090-5754.

26 3. Pacific Lock is informed and believes, and on that basis alleges, that
27 World Lock Co., Ltd. ("World Lock") is a subsidiary of Eastern Company and has a
28 principal place of business at 3F, 580, Min Sheng N. Rd., Sec. 1 Gueishan Hsiang,

1 Taoyuan Hsien, Taiwan 333. Upon information and belief, World Lock is engaged in
2 the business of making, selling and/or promoting physical security products including,
3 without limitation, hidden shackle style locks, including in this judicial district and
4 worldwide.

5 4. Pacific Lock is informed and believes, and on that basis alleges, that
6 Dongguan Reeworld Security Products Ltd. (“Dongguan”) is a subsidiary of Eastern
7 Company and has a principal place of business at Products Limited Bldg. A4 No. 92,
8 188 Industrial Blvd. Pingshan Village Tangxia Town, Dongguan Guangdong, China.
9 Upon information and belief, Dongguan is engaged in the business of making, selling,
10 and/or promoting physical security products including, without limitation, hidden
11 shackle style locks, including in this judicial district and worldwide.

12 **SUBJECT MATTER JURISDICTION AND VENUE**

13 5. This Complaint includes claims for direct patent infringement,
14 inducement of patent infringement and contributory patent infringement arising under
15 35 U.S.C. § 271 *et seq.* This Court has original subject matter jurisdiction over these
16 claims pursuant to 28 U.S.C. §§ 1331 and 1338(a).

17 6. This Complaint also includes a claim for unfair competition pursuant to
18 California Business and Professions Code § 17200 *et seq.* This Court has original
19 subject matter jurisdiction over this claim pursuant to 28 U.S.C. § 1338(b) and
20 supplemental jurisdiction over this claim pursuant to 28 U.S.C. § 1367.

21 7. Venue is proper pursuant to 28 U.S.C. § 1391(b). Upon information and
22 belief, Eastern Company, World Lock, and Dongguan (hereinafter, collectively, the
23 “Eastern Company Defendants”) regularly conduct business in this judicial district
24 and have committed substantial acts of patent infringement, including direct patent
25 infringement, inducing patent infringement and contributory patent infringement, and
26 other unlawful acts within this judicial district.

27 8. Pacific Lock is ignorant of the true names and capacities of those
28 Defendants sued herein under the fictitious names Does 1-10 (the “Doe Defendants”).

1 Upon information and belief, the Doe Defendants have directly infringed the patent
2 in-suit referenced below. To date, Pacific Lock has been unable to identify the names
3 of the Doe Defendants and, therefore, sues these Defendants at this time by their
4 fictitious names at this time. Pacific Lock will seek leave to amend this Complaint to
5 allege their true names and capacities when ascertained.

6 **FACTUAL BACKGROUND**

7 9. Pacific Lock is the owner of all right, title, and interest in and to U.S.
8 Patent 8,776,557, entitled “Hidden Shackle Lock With An Interchangeable Core,”
9 issued on July 15, 2014 (“557 Patent”). The ‘557 Patent remains in full force and
10 effect. A true and correct copy of the ‘557 Patent is attached to this Complaint as
11 Exhibit A and incorporated herein by this reference.

12 10. The ‘557 Patent is directed generally to a hidden shackle style lock with
13 an interchangeable core. The ‘557 Patent includes claims that cover the hidden
14 shackle style lock with an interchangeable core and a method of using the hidden
15 shackle style lock with an interchangeable core.

16 11. Upon information and belief, the Eastern Company Defendants make,
17 use, sell, and/or offer for sale within the United States, import into the United States
18 and/or sell for importation into the United States hidden shackle style locks including,
19 without limitation, the Sesamee[®] 930 Series Hidden Shackle Padlock.

20 12. Upon information and belief, the Doe Defendants have purchased, and
21 continue to purchase, hidden shackle style locks from the Eastern Company
22 Defendants including, without limitation, the Sesamee[®] 930 Series Hidden Shackle
23 Padlock, for use in combination with interchangeable cores.

24 13. The Eastern Company Defendants’ hidden shackle style locks including,
25 without limitation, the Sesamee[®] 930 Series Hidden Shackle Padlock, in combination
26 with the interchangeable cores, infringe the ‘557 Patent.

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FIRST CAUSE OF ACTION

DIRECT PATENT INFRINGEMENT

(AGAINST THE EASTERN COMPANY DEFENDANTS)

14. Pacific Lock realleges paragraphs 1 through 13 of this Complaint as though fully set forth herein.

15. The Eastern Company Defendants have made and used in the United States hidden shackle style padlocks including, without limitation, the Sesamee® 930 Series Hidden Shackle Padlock, in combination with interchangeable cores without the consent, authority or license from Pacific Lock.

16. As a result of their conduct, the Eastern Company Defendants have directly infringed, and, unless restrained, will continue to directly infringe, one or more claims of the '557 Patent under 35 U.S.C. § 271(a).

17. As a direct and proximate result of the Eastern Company Defendants' direct patent infringement of the '557 Patent, Pacific Lock has suffered, and will continue to suffer, damages in an amount to be determined at trial.

18. Unless preliminarily and permanently enjoined, the Eastern Company Defendants will continue to engage in the aforementioned acts. Such continuing acts, unless enjoined, will cause irreparable damage to Pacific Lock, which has no adequate remedy at law.

SECOND CAUSE OF ACTION

DIRECT PATENT INFRINGEMENT

(AGAINST DOES 1-10)

19. Pacific Lock realleges paragraphs 1 through 18 of this Complaint as though fully set forth herein.

20. The Doe Defendants have used, sold, and/or offered to sell in the United States, imported into the United States and/or sold for importation in the United States hidden shackle style padlocks purchased from the Eastern Company Defendants including, without limitation, the Sesamee® 930 Series Hidden Shackle Padlock, in

1 combination with interchangeable cores without the consent, authority or license from
2 Pacific Lock.

3 21. As a result of their conduct, the Doe Defendants have directly infringed,
4 and, unless enjoined, will continue to directly infringe, one or more claims of the ‘557
5 Patent under 35 U.S.C. § 271(a).

6 22. As a direct and proximate result of the Doe Defendants’ direct patent
7 infringement of the ‘557 Patent, Pacific Lock has suffered, and will continue to suffer,
8 damages in an amount to be determined at trial.

9 23. Unless preliminarily and permanently enjoined, the Doe Defendants will
10 continue to engage in the aforementioned acts. Such continuing acts, unless enjoined,
11 will cause irreparable damage to Pacific Lock, which has no adequate remedy at law.

12 **THIRD CAUSE OF ACTION**

13 **INDUCEMENT OF PATENT INFRINGEMENT**

14 **(AGAINST THE EASTERN COMPANY DEFENDANTS)**

15 24. Pacific Lock realleges paragraphs 1 through 23 of this Complaint as
16 though fully set forth herein.

17 25. Upon the filing of this Complaint, the Eastern Company Defendants will
18 have actual knowledge of the ‘557 Patent as Pacific Lock will be informing the
19 Eastern Company Defendants about the ‘557 Patent and this Complaint.

20 26. As of the date they acquire actual knowledge of the ‘557 Patent, the
21 Eastern Company Defendants will be committing acts of induced infringement of the
22 ‘557 Patent and have actively, knowingly and intentionally aided and abetted direct
23 infringement of the ‘557 Patent by the Doe Defendants, to the extent the Eastern
24 Company Defendants continue to manufacture and sell in the United States, import
25 and/or sell for importation into the United States, its hidden shackle style padlocks,
26 including, without limitation, the Sesamee® 930 Series Hidden Shackle Padlock, with
27 instructions, directions and advice regarding its infringing uses.
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1 27. The Eastern Company Defendants' inducement of patent infringement
2 will be without the consent of, authority of, or license from Pacific Lock

3 28. As a direct and proximate result of the Eastern Company Defendants'
4 inducement of patent infringement, Pacific Lock will have suffered damages in an
5 amount to be determined at trial.

6 29. Unless preliminarily and permanently enjoined, the Eastern Company
7 Defendants will continue to engage in the aforementioned acts. Such continuing acts,
8 unless enjoined, will cause irreparable damage to Pacific Lock, which has no adequate
9 remedy at law.

10 **FOURTH CAUSE OF ACTION**

11 **CONTRIBUTORY INFRINGEMENT**

12 **(AGAINST THE EASTERN COMPANY DEFENDANTS)**

13 30. Pacific Lock realleges paragraphs 1 through 29 of this Complaint as
14 though fully set forth herein.

15 31. Upon the filing of this Complaint, the Eastern Company Defendants will
16 have actual knowledge of the '557 Patent as Pacific Lock will be informing the
17 Eastern Company Defendants about the '557 Patent and this Complaint.

18 32. As of the date they acquire actual knowledge of the '557 Patent, the
19 Eastern Company Defendants will have contributed to the infringement of the '557
20 Patent, to the extent the Eastern Company Defendants continue to make, sell or offer
21 to sell within the United States, import into the United States, and/or sell for
22 importation into the United States hidden shackle style padlocks including, without
23 limitation, the Sesamee[®] 930 Series Hidden Shackle Padlock, that are used in products
24 that practice the inventions of the '557 Patent.

25 33. The hidden shackle style locks sold, manufactured and used by the
26 Eastern Company Defendants including, without limitation, the Sesamee[®] 930 Series
27 Hidden Shackle Padlock, are specially made or specially adapted for use in the
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1 infringement of the '557 Patent and are not a staple article or commodity of commerce
2 suitable for substantial noninfringing uses.

3 34. The Eastern Company Defendants's contributory infringement of the
4 '557 Patent will be without the consent of, authority of, or license from Pacific Lock.

5 35. As a direct and proximate result of the Eastern Company Defendants'
6 contributory infringement, Pacific Lock will have suffered damages and will continue
7 to suffer damages in an amount to be determined at trial.

8 36. Unless preliminarily and permanently enjoined, the Eastern Company
9 Defendants will continue to engage in the aforementioned acts. Such continuing acts,
10 unless enjoined, will cause irreparable damage to Pacific Lock, which will have no
11 adequate remedy at law.

12 **FIFTH CAUSE OF ACTION**

13 **UNFAIR COMPETITION**

14 **(AGAINST THE EASTERN COMPANY DEFENDANTS)**

15 37. Pacific Lock realleges paragraphs 1 through 36 of this Complaint as
16 though fully set forth herein.

17 38. Upon information and belief, the Eastern Company Defendants have
18 unfairly competed, and continue to unfairly compete, with Pacific Lock in violation of
19 Cal. Bus. & Prof. Code § § 17200, *et seq.*, including by engaging in the unlawful and
20 deceptive practice of marketing and selling hidden shackle style padlocks including,
21 without limitation, the Sesamee® 930 Series Hidden Shackle Padlock, which they
22 know violate and infringe the '557 Patent.

23 39. Upon information and belief, the Eastern Company Defendants, through
24 their unlawful and deceptive marketing and sales practices, are attempting to induce
25 potential customers to purchase their hidden shackle style padlocks, including,
26 without limitation, the Sesamee® 930 Series Hidden Shackle Padlock, by knowingly
27 violating and infringing the '557 Patent.
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1 40. The Eastern Company Defendants' unlawful and deceptive marketing
2 and sales practices in selling hidden shackle style padlocks, including, without
3 limitation, the Sesamee[®] 930 Series Hidden Shackle Padlock, significantly threaten
4 and unfairly harm competition with Pacific Lock.

5 41. As a direct and proximate result of the Eastern Company Defendants'
6 unlawful and deceptive marketing and sales practices, Pacific Lock has suffered, and
7 will continue to suffer, irreparable harm. Among other things, Pacific Lock's business
8 has been damaged and will continue to be damaged through a loss of potential
9 customers, and by suggesting that the Eastern Company Defendants and their products
10 are licensed or otherwise approved or endorsed by Pacific Lock.

11 42. Pursuant to California Business and Professions Code § 17203, Pacific
12 Lock is entitled to the disgorgement of the Eastern Company Defendants' unlawful
13 profits.

14 43. Pursuant to California Business and Professions Code § 17203, the
15 Eastern Company Defendants should also be enjoined from engaging in further acts
16 and/or practices of unfair competition that result in further and/or continuing
17 irreparable harm to Pacific Lock.

18 **SIXTH CAUSE OF ACTION**

19 **UNFAIR COMPETITION**

20 **(AGAINST DOES 1-10)**

21 44. Pacific Lock realleges paragraphs 1 through 43 of this Complaint as
22 though fully set forth herein.

23 45. Upon information and belief, the Doe Defendants have unfairly
24 competed, and continue to unfairly compete, with Pacific Lock in violation of Cal.
25 Bus. & Prof. Code § § 17200, *et seq.*, including by engaging in the unlawful and
26 deceptive practice of marketing and selling hidden shackle style padlocks including,
27 without limitation, the Sesamee[®] 930 Series Hidden Shackle Padlock.

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1 46. Upon information and belief, the Doe Defendants, through their unlawful
2 and deceptive marketing and sales practices, are attempting to induce potential
3 customers to purchase their hidden shackle style padlocks, including, without
4 limitation, the Sesamee[®] 930 Series Hidden Shackle Padlock, by violating and
5 infringing the ‘557 Patent.

6 47. The Doe Defendants’ unlawful and deceptive marketing and sales
7 practices in selling hidden shackle style padlocks, including, without limitation, the
8 Sesamee[®] 930 Series Hidden Shackle Padlock, significantly threaten and unfairly
9 harm competition with Pacific Lock.

10 48. As a direct and proximate result of the Doe Defendants’ unlawful and
11 deceptive marketing and sales practices, Pacific Lock has suffered, and will continue
12 to suffer, irreparable harm. Among other things, Pacific Lock’s business has been
13 damaged and will continue to be damaged through a loss of potential customers, and
14 by suggesting that the Doe Defendants and their products are licensed or otherwise
15 approved or endorsed by Pacific Lock.

16 49. Pursuant to California Business and Professions Code § 17203, Pacific
17 Lock is entitled to the disgorgement of the Doe Defendants’ unlawful profits.

18 50. Pursuant to California Business and Professions Code § 17203, the Doe
19 Defendants should also be enjoined from engaging in further acts and/or practices of
20 unfair competition that result in further and/or continuing irreparable harm to Pacific
21 Lock.

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RELIEF REQUESTED

WHEREFORE, Pacific Lock requests:

(i) Entry of judgment that the Eastern Company Defendants have directly infringed, induced the infringement and/or contributorily infringed the ‘557 Patent and awarding Pacific Lock an amount to be determined at trial;

(ii) Entry of judgment that the Doe Defendants have directly infringed the ‘557 Patent and awarding Pacific Lock an amount to be determined at trial;

(iii) Entry of preliminary and permanent injunctions enjoining the Eastern Company Defendants from directly infringing, inducing the infringement of and/or contributing to the infringement of the ‘557 Patent;

(iv) Entry of preliminary and permanent injunctions enjoining the Doe Defendants from directly infringing the ‘557 Patent;

(v) Entry of judgment against all Defendants awarding Pacific Lock treble damages for willful, knowing and deliberate infringement of the ‘557 Patent;

(vi) Entry of judgment that the Eastern Company Defendants have committed acts and/or practices of unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et seq.*, and ordering the Eastern Company Defendants to provide restitution and to disgorge all ill-gotten gains and profits received by the Eastern Company Defendants as a result of this misconduct in an amount to be determined at trial, and enjoining the Eastern Company Defendants from engaging in further acts and/or practices of unfair competition that result in further and/or continuing irreparable harm to Pacific Lock;

(vii) Entry of judgment that the Doe Defendants have committed acts and/or practices of unfair competition in violation of Cal. Bus. & Prof. Code § 17200 *et seq.*, and ordering the Doe Defendants to provide restitution and to disgorge all ill-gotten gains and profits received by the Doe Defendants as a result of this misconduct in an amount to be determined at trial, and enjoining the Doe Defendants from

1 engaging in further acts and/or practices of unfair competition that result in further
2 and/or continuing irreparable harm to Pacific Lock;

3 (viii) Entry of judgment awarding Pacific Lock its cost and reasonable
4 attorneys' fees incurred herein; and

5 (ix) Awarding such other and further relief as the Court may deem just
6 or proper.

7
8 Dated: August 13, 2014

FOX ROTHSCHILD LLP

9 By /s/ James E. Doroshow
10 James E. Doroshow
11 Ashe P. Puri
12 Attorneys for Plaintiff
13 PACIFIC LOCK COMPANY
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DEMAND FOR JURY TRIAL

Plaintiff hereby requests a jury trial for all claims and issues triable by a jury.

Dated: August 13, 2014

FOX ROTHSCHILD LLP

By /s/ James E. Doroshow
James E. Doroshow
Ashe P. Puri
Attorneys for Plaintiff
PACIFIC LOCK COMPANY

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