

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

KING SHENG CO., LTD., a Taiwan)
corporation; and)
DAVID TSAI, an individual)

Plaintiff)

CASE NO.: 1:16-cv-3256

vs.)

HOLLYWOOD ENGINEERING, INC.)
dba HOLLYWOOD RACKS)

Defendant.)

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff, King Sheng Co., Ltd., dba Seiki (“Seiki”) and David Tsai, Individual, files this Complaint against defendant Hollywood Engineering, Inc., dba Hollywood Racks (“Hollywood”), and demanding a trial by jury, alleges as follows:

I. THE PARTIES

1. Plaintiff, King Sheng Co., Ltd. (“King Sheng”), is a corporation incorporated under the laws of Taiwan and is located and doing business at No. 50, Lane 958, Zhanghua Road, Huatan Township, Chuang Hua City, Taiwan 503.

2. Plaintiff, Mr. David Tsai, is an individual residing at No. 67, Nancheng St., Changhua City, Changhua County 500, Taiwan (R.O.C.).

3. Upon information and belief, Defendant, Hollywood Engineering, Inc., dba Hollywood Racks (“Hollywood”), is a corporation organized and existing under the laws of the State of California,

and maintains a principal place of business at 12812 South Spring Street, Los Angeles, California 90061.

II. JURISDICTION AND VENUE

4. Plaintiff claims against Hollywood are for patent infringement under 35 U.S.C. § 101, et seq. This Court has exclusive subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

5. This Court has personal jurisdiction over Hollywood because, upon information and belief: (1) Hollywood has conducted and regularly conducts business activities within the State of Indiana and the Southern District of Indiana; (2) Hollywood has had continuous, substantial, and systematic contacts with the State of Indiana and this District through sale of and offers to sell certain products, including at least model numbers HR200, HRT220, HR1000, HR1000R, HR1400, HR1450, HR1450E, HR1450R, HR1475, and Sunlite models 45815 and 45816 (hereinafter the “Accused Products”); and (3) events giving rise to the cause of action herein, including, but not limited to, sales of, and offers to sell, the Accused Products, occurred and are occurring in Indiana and in this District. As further set forth herein, on information and belief, Hollywood has contributed to and induced acts of infringement within the State of Indiana and the Southern District of Indiana.

6. Pursuant to 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b), venue within this District is proper.

III. THE ASSERTED PATENTS

7. On July 10, 2007, the United States Patent and Trademark Office duly and legally issued patent number 7,240,816 (“the ‘816 Patent”) after full and fair examination. A true and accurate copy of the ‘816 Patent is attached hereto as Exhibit 1.

8. The ‘816 Patent relates to a bike rack for use on vehicles.

9. The '816 Patent is valid and enforceable.

10. Mr. David Tsai is the inventor of the '816 patent and an owner of King Sheng, Ltd. King Sheng is the exclusive licensee of the '816 Patent and holds all substantial rights in the '816 Patent including the right to bring suit for patent infringement.

11. King Sheng has been a leading manufacturer in the field of bike racks whose products are sold around the world. King Sheng manufactures, imports, sells, and/or offers to sell products that utilize the '816 Patent in this District, throughout the United States, and in various countries around the world.

12. All products utilizing the '816 invention manufactured by King Sheng are prominently marked with US Patent #7240816 and TW (Taiwan) Patent #1222941.

IV. DEFENDANT'S INFRINGEMENT OF THE '816 PATENT

13. Hollywood is a bike rack company that sells and distributes a wide variety of bike rack products.

14. The Accused Products are among the products sold by Hollywood.

15. The Accused Products infringe, both literally and under the doctrine of equivalents, upon independent claim 1 of the '816 Patent and dependent claims 2-20 thereof. A true and correct copy of the cease and desist letters sent by Plaintiff to Hollywood on August 25 and October 20, 2015, which includes an infringement analysis of Hollywood model HR200 under claim 1 of the '816 Patent, is attached hereto as Exhibit 2.

16. On information and belief, Hollywood has made, imports, sells, offers to sell, and/or uses the Accused Products. Hollywood also provides instructions and directions on how to use the Accused Products in both the product packaging and online via their website.

17. On information and belief, Hollywood has known of the ‘816 Patent since at least July 10, 2007, which is the date the ‘816 Patent issued from the United States Patent and Trademark Office. As early as March 6, 2009, Hollywood was placed on actual notice of the ‘816 Patent by Plaintiff.

V. COUNT I – PATENT INFRINGEMENT

18. Plaintiff hereby realleges and incorporates by reference, as if fully set forth herein, the allegations set forth in paragraphs 1-17, supra.

19. Hollywood is currently infringing and has infringed the ‘816 Patent directly by, without authority, having made, importing into the United States, and/or using, selling, and/or offering for sale in the United States, including this District, the Accused Products, which embody the inventions claimed in the ‘816 Patent.

20. Hollywood has directly and/or jointly with other entities infringed and is currently directly and/or jointly with other entities infringing the ‘816 Patent literally and/or under the doctrine of equivalents.

21. Hollywood is actively, intentionally, and/or knowingly inducing infringement of the ‘816 Patent by others in the United States, including, but not limited to, distributors and bike retail stores, and is thus liable to Plaintiff pursuant to 35 U.S.C. § 271(b).

22. Hollywood is actively, intentionally, and/or knowingly contributing to infringement of the ‘816 Patent by others in the United States, including, but not limited to distributors and bike retail stores, and is thus liable to Plaintiff pursuant to 35 U.S.C. § 271(c).

23. Hollywood has never been authorized to practice the inventions protected by the ‘816 Patent.

24. Because, upon information and belief, Hollywood has had actual notice of the '816 Patent since 2007, and at least since 2009, its infringement of the '816 Patent has been and continues to be willful and deliberate.

25. Hollywood's infringement of the '816 Patent has caused injury to Plaintiff, and Plaintiff is entitled to recover damages adequate to compensate for such infringement.

26. Hollywood will continue to infringe the '816 Patent unless this Court enjoins and restrains Hollywood's activities, and Plaintiff has no adequate remedy at law.

VI. PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests that this Court enter judgment:

1. Finding that U.S. Patent No. 7,240,816 is valid, enforceable, and infringed by Hollywood, and that Hollywood is liable for inducement of infringement and contributory infringement of the '816 Patent;
2. Entering a permanent injunction against Hollywood, enjoining it, its respective directors, officers, agents, employees, successors, subsidiaries, assigns, and all persons acting in privity or in concert or participation with Hollywood from making, using, selling, or offering for sale in the United States, or importing into the United States, any and all products embodying the patented inventions claimed in the '816 Patent;
3. Holding that Hollywood acted willfully in causing damage to Plaintiff;
4. Awarding Plaintiff such damages to which it is entitled, pursuant to 35 U.S.C. § 284;
5. Awarding Plaintiff enhanced damages, pursuant to 35 U.S.C. § 284;
6. Awarding Plaintiff pre-judgment and post-judgment interest as allowed by law;

7. Awarding Plaintiff its costs, expenses, and fees, including reasonable attorneys' fees, pursuant to 35 U.S.C. § 285; and

8. Awarding Plaintiff such other and further relief as the Court deems just, equitable, and proper.

VII. JURY DEMAND

Plaintiff hereby respectfully requests a trial by jury, pursuant to Rule 38 of the Federal Rules of Civil Procedure, on all issues so triable.

Dated: November 25, 2015

Respectfully submitted,

/s/ Joseph A. Bruce

Joseph A. Bruce, ISBN 24034-49

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