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1 2 3 4 5 6 7 8	ERIC BEANE (SBN 1 JD HARRIMAN (SBN FOUNDATION LAW 445 South Figueroa Str Suite 3100 Los Angeles, CA 9001 Tel. 424.236.3911 Email: <u>eric.beane@for</u> Attorneys for Plaintiff	I 117175) GROUP LLI reet 7 undationlaw.c	<u>com</u>		
9	TT		TEC DICTDICT	COUDT	
10	UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA				
11					
12 13	AIRPLANE POCKET California limited liabi	S LLC, a lity	Case No. 2:22-	-cv-00062	
13	company,	III			
14	Plaintiff,		COMPLAIN	Γ FOR	
15	v.			INFRINGEN	<b>AENT</b>
17	JACK DANIELS, an in CAL WEST HOLDIN	ndividual; GS, INC., a	(2) TRADEM (3) FALSE D	IARK INFRI ESIGNATIO	NGEMENT N OF ORIGIN
18	California corporation; 1-10,	and DOES		<b>OF FIDUCI</b>	ARY DUTY
19	Defendant	ts.	(6) CONVER (7) ACCOUN	TING	
20			(8) VIOLATI (9) VIOLATI (10) VIOLATI (11) EXPULS	ION OF PEN ION OF B&P FION OF B&	AL C § 502 C § 17200 PC § 17500
21			(11) EXPULS	SION OF ME	MBER
22			JURY TRIA	L DEMAND	
23					
24					
25	Plaintiff Airplane		C	WS:	
26			PARTIES	D 1 ( 22) .	1 1
27		1	ets LLC ("Airplan time um den the lea	,	
28	liability company organ		-1- COMPLAINT	ws of the State	9 of California,

and has a principal place of business in the County of Los Angeles, State of 1 California. 2

2. 3 Defendant Jack Daniels ("Daniels") is an individual doing business 4 and residing in the County of Los Angeles, State of California. Daniels is one of 5 the original members of Airplane Pockets.

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3. Defendant Cal West Holdings, Inc. ("Cal West") is a corporation 7 organized and existing under the laws of the State of California, and has a principal place of business in the County of Los Angeles, State of California. In 2021, 8 9 Daniels was authorized to transfer his membership interest in Airplane Pockets to 10 Cal West, an entity which, on information and belief, is owned and controlled in 11 whole or in part by Daniels. Neither Daniels nor Cal West has informed Airplane 12 Pockets if the transfer of Daniels' membership interest to Cal West was effected.

13 4. The true names and capacities, whether individual, corporate, 14 associate, or otherwise, of the Defendants named herein as DOES 1-10, inclusive, 15 are unknown to Plaintiff at this time and therefore said Defendants are sued by such 16 fictitious names. Plaintiff will seek leave to amend this complaint to insert the true 17 names and capacities of said Defendants when the same become known to Plaintiff. 18 Plaintiff is informed and believes, and based thereupon alleges, that each of the 19 fictitiously named Defendants is responsible for the wrongful acts alleged herein 20 and are therefore liable to Plaintiff as alleged hereinafter.

21 5. Plaintiff is informed and believes, and based thereupon alleges, that at 22 all times relevant hereto, Defendants, and each of them, were the agents, 23 employees, managing agents, supervisors, coconspirators, parent corporation, joint 24 employers, alter egos, successors, and/or joint ventures of the other Defendants, and 25 each of them, and in doing the things alleged herein, were acting at least in part 26 within the course and scope of said agency, employment, conspiracy, joint 27 employer, alter ego status, successor status and/or joint venture and with the 28 permission and consent of each of the other Defendants.

COMPLAINT

1 6. Plaintiff is informed and believes, and based thereupon alleges, that 2 Defendants, and each of them, including those defendants named as DOES 1-10, 3 acted in concert with one another to commit the wrongful acts alleged herein, and 4 aided, abetted, incited, compelled and/or coerced one another in the wrongful acts 5 alleged herein, and/or attempted to do so. Plaintiff is further informed and believes, 6 and based thereupon alleges, that Defendants, and each of them, including those 7 defendants named as DOES 1-10, and each of them, formed and executed a conspiracy or common plan pursuant to which they would commit the unlawful acts 8 9 alleged herein, with all such acts alleged herein done as part of and pursuant to said 10 conspiracy, intended to cause and actually causing Plaintiff harm.

11 7. Whenever and wherever reference is made in this complaint to any act 12 or failure to act by a Defendant or co-Defendant, such allegations and references 13 shall also be deemed to mean the acts and/or failures to act by each Defendant 14 acting individually, jointly and severally.

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### JURISDICTION AND VENUE

8. 16 The claim for patent infringement arises under the Patent Act, 35 17 U.S.C. § 101 et seq. This Court has federal question jurisdiction over the subject 18 matter of the patent infringement claim pursuant to 28 U.S.C. §§ 1331 and 1338 19 and 35 U.S.C. §281.

20 9. The claim(s) for unfair competition, trademark infringement, false 21 designation of origin and/or cyberpiracy, are joined with substantial and related 22 claims under the patent laws. This Court has federal question jurisdiction over the 23 subject matter of the unfair competition claim(s) pursuant to 28 U.S.C. § 1338.

24 10. The claims for trademark infringement, false designation of origin 25 and/or cyberpiracy arise under the Lanham Act, 15 U.S.C. § 1125. This Court also 26 has subject matter jurisdiction over this action under 28 U.S.C. §§ 1331 and 1338 and 15 U.S.C. § 1121.

> The Court has subject matter jurisdiction over the other related 11. COMPLAINT

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1 California state law claims because either they arise under an Act of Congress 2 relating to patents pursuant to 28 U.S.C. § 1338 or the Court has supplemental 3 jurisdiction pursuant to 28 U.S.C. § 1367.

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12. This Court has personal jurisdiction over Daniels and Cal West because they have transacted business within this district and, upon information and belief, have caused tortious injury to Airplane Pockets by the acts complained of herein within this district.

8 Venue is proper in this district pursuant to 28 U.S.C. §1400(b) because 13. 9 Daniels and Cal West have committed acts of infringement and other tortious acts 10 and have a regular and established place of business in this district. In addition, 11 venue is proper in this district pursuant to 28 U.S.C. §1400(b) and/or 28 U.S.C. § 12 1391(b)(1) because Daniels and Cal West reside within the Central District of 13 California as residence is defined in 28 U.S.C. §1391(c). Venue is also proper in 14 this Court pursuant 28 U.S.C. § 1391(b)(2) because a substantial part of the events 15 or omissions giving rise to the claim occurred, or a substantial part of property that 16 is the subject of the action is situated, in the Central District of California.

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### **GENERAL ALLEGATIONS**

18 14. Daniels is one of the founding members of Airplane Pockets, and was 19 and is an officer thereof and on its board of directors and/or managers.

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15. On or about June 9, 2015, the United States Patent and Trademark 21 Office duly and legally issued United States Patent No. 9,051,087 (the "Patent") for 22 a sanitary cover which fits over a commercial airplane tray table that allows the 23 traveler to place personal items therein ("Tray Table Cover"). The patent was 24 originally issued in the name of Daniels.

25 16. Daniels assigned the Patent to Airplane Pockets. Airplane Pockets was 26 and is in the business of exploiting the Patent, including by manufacturing, 27 marketing and selling the Tray Table Cover.

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17. To exploit the Patent, Airplane Pockets used and uses the mark COMPLAINT

"Airplane Pockets" (the "Mark"). The Mark is displayed on the Tray Table Cover 1 2 and/or its labeling and, without limitation, on promotional materials and other 3 advertising. Since its date of first use, the Mark has been and still is the subject of 4 substantial and continuous marketing and promotion by Airplane Pockets, which 5 has and continues to widely market and promote its Mark in the industry and to 6 consumers all over California and the United States. Through such widespread and 7 continuous use of the Mark, Airplane Pockets has acquired extensive goodwill, 8 developed a high degree of distinctiveness, and become known and recognized as 9 identifying its goods and services. As the only nationwide provider of legitimate 10 goods covered by the relevant patent, Airplane Pockets has the exclusive trademark 11 rights to use the Mark with the selling and promotion of Tray Table Covers.

12 18. As a result of Airplane Pockets' investment of time and money into its
13 business, the sales of the Tray Table Cover and exploitation of the Patent and Mark
14 have grown.

15 19. Daniels and/or Cal West, however, have become disgruntled with this 16 arrangement, and no longer wish to conform to their obligations to Airplane 17 Pockets or recognize its rights. In retribution and an attack on Airplane Pockets, 18 Daniels and/or Cal West have acted and are acting outside the ordinary course of 19 Airplane Pockets activities, including by infringing on the Patent and Mark and 20 unfairly competing with Airplane Pockets by unilaterally manufacturing, marketing 21 and/or selling the Airplane Pockets Tray Table Cover for their own personal benefit, refusing to account to Airplane Pockets for sales and profits generated by 22 23 the Patent and Mark infringement, otherwise interfering with Airplane Pockets 24 business and misappropriating Airplane Pockets' business and/or other assets, including without limitation by: 25

 26 (a) Unilaterally commandeering, changing and misappropriating
 27 Airplane Pockets' company owned domain URL
 28 www.airplanepockets.com (the "Domain") without
 -5-COMPLAINT

1		authorization by Airplane Pockets to their sole benefit,
2		including by rerouting all traffic and sales from the
3		misappropriated Domain to funnel Airplane Pockets' business
4		and sales to their own bank accounts;
5	(b)	Revoking permissions to the Amazon sellers' portal so that
6		Airplane Pockets cannot effect, manage and/or monitor sales;
7	(c)	Attempting to move Airplane Pockets' Shopify account to a
8		separate account that Daniels and/or Cal West unilaterally owns
9		and controls and away from Airplane Pockets' control and
10		monitoring;
11	(d)	Unilaterally deactivating the Airplane Pockets email addresses
12		of Airplane Pockets' members, managers and employees to
13		prevent those individuals from conducting business on behalf of
14		Airplane Pockets and to prevent Airplane Pockets from
15		monitoring their unlawful activities;
16	(e)	Secretly opening and/or maintaining personal or otherwise
17		unauthorized bank account(s) to receive payments belonging to
18		Airplane Pockets (the "Secret Accounts"), unilaterally directing
19		Airplane Pockets client(s) to delay paying invoice(s) until the
20		Secret Accounts were opened and unilaterally directing
21		Airplane Pockets client(s) to send payment to the Secret
22		Accounts;
23	(f)	Unilaterally moving funds from Airplane Pockets' account(s) to
24		their own personal account(s) without authorization;
25	(g)	Causing Airplane Pockets to pay purported sales
26		"commissions" to Daniels' family member(s) and/or others on
27		sales which generated no commissions and/or were not earned
28		by and/or owed to them;
		COMPLAINT

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1	(h)	Unilaterally selling product below cost;	
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4	(j) Purporting to license and/or sell the valuable branding of		
5		Airplane Pockets without its authorization or any proper	
6		restrictions or payment to Airplane Pockets;	
7	(k)	Falsely telling vendors that one of Airplane Pockets'	
8		managers/members stole from the company and is withholding	
9		inventory from the company; and	
10	(1)	Refusing to provide authorized representatives of Airplane	
11		Pockets with copies of Defendants' contract(s) with Airplane	
12		Pockets clients.	
13	20. As a	result of the unilaterally and unauthorized acts, and each of them,	
14	Daniels and Cal West have severely damaged Airplane Pockets' business and		
15	relationships with its customers, manufacturers and vendors.		
16	FIRST CLAIM FOR RELIEF		
17	Patent Infringement Under 35 U.S.C. § 271 - Against All Defendants		
18	21. Airplane Pockets repeats and realleges the allegations in paragraphs 1		
19	to 20 above as if fully set forth herein.		
20	22. A true and correct copy of the Patent is attached as Exhibit 1.		
21	23. A true and correct copy of the assignment of the Patent to Airplane		
22	Pockets is attached as Exhibit 2.		
23	24. Airpl	ane Pockets is the sole owner of right and title to the Patent.	
24	25. The Patent is presumed valid under 35 U.S.C. § 282.		
25	26. Defendants, and each of them, have directly infringed, are directly		
26	infringing and will continue to directly infringe, literally or under the doctrine of		
27	equivalents, one or more claims of the Patent under 35 U.S.C § 271(a) by making,		
28	using, selling, and/or offering for sale the Airplane Pockets Tray Table Cover, -7- COMPLAINT		
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which embodies one or more claims of the Patent, for their sole benefit in a
 competing enterprise without Airplane Pockets' authorization.

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27. Defendants, and each of them, have infringed, are infringing, and will
continue to infringe, literally and under the doctrine of equivalents, by inducing the
infringement of others, including without limitation manufactures and end users, of
one or more claims of the Patent under 35 U.S.C § 271(b) by making, using,
selling, and/or offering for sale the Airplane Pockets Tray Table Cover, which
embodies one or more claims of the Patent, for their sole benefit in a competing
enterprise without Airplane Pockets' authorization.

28. Defendants, and each of them, have infringed, are infringing, and will
continue to infringe, literally or under the doctrine of equivalents, by contributing to
the infringement of others, including without limitation manufacturers and end
users, of one or more claims of the Patent under 35 U.S.C § 271(c) by making,
using, selling, and/or offering for sale the Airplane Pockets Tray Table Cover,
which embodies one or more claims of the Patent, for their sole benefit in a
competing enterprise without Airplane Pockets' authorization.

17 29. Defendants, and each of them, had and have actual knowledge of the18 Patent and Daniels' assignment thereof to Airplane Pockets.

19 30. The acts of Defendants, and each of them, which constitute patent20 infringement are willful.

21 31. Defendants' patent infringement has caused and is causing irreparable
22 injury to Airplane Pockets and, unless enjoined, will continue to cause irreparable
23 injury.

32. As a result of Defendants' intentional and willful infringement,
Airplane Pockets is entitled to an injunction and damages in a sum to be determined
in accordance with 35 U.S.C. §§ 271, 281, 283, and 284.

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# SECOND CLAIM FOR RELIEF

Violation of Lanham Act: Federal Trademark Infringement -8-COMPLAINT 2 3

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#### - Against All Defendants

33. Airplane Pockets repeats and realleges the allegations in paragraphs 1to 32 above as if fully set forth herein.

4 34. Airplane Pockets has established valid and enforceable trademark
5 rights in the Mark, as described above, and is the sole owner of all right and title to
6 the Mark. Airplane Pockets has extensively and continuously used its Mark in
7 commerce in connection with its Patent and marketing and sales of the Tray Table
8 Cover.

9 35. As a result of Airplane Pockets' extensive promotion and use of its
10 Mark, the Mark is recognized as distinctive, and is identified by the purchasing
11 public with Airplane Pockets.

36. Notwithstanding Airplane Pockets' preexisting, valid and enforceable
rights in its Mark, Defendants, and each of them, have intentionally used the Mark
without Airplaine Pocket's authorization and have directly infringed, are directly
infringing and will continue to directly infringe on the Mark by making, selling,
offering for sale and/or distributing the Tray Table Cover with the Mark displayed
thereon and/or in or on its labeling, promotional materials and other advertising, for
their sole benefit in a competing enterprise.

19 37. Defendants' use, and continuous use, in commerce of Airplane Pockets' Mark in connection with their unauthorized sales and/or advertising 20 21 violates Airplane Pockets' common law trademark rights in that it is a counterfeit 22 mark as defined in 15 U.S.C. § 1117 and/or creates a false association between 23 Airplane Pockets' products and/or services and Defendants' renegade and 24 unauthorized products and/or services. In this manner, consumers are highly likely 25 to be confused and mistakenly believe that Defendants' and their products and/or 26 services are endorsed, approved, or sponsored by, or affiliated, connected, or 27 associated with, Airplane Pockets.

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38. Defendants, and each of them, committed the acts alleged above with -9-COMPLAINT knowledge of Airplane Pockets' prior rights to, and use of, the Mark, with the
 intent to trade on Airplane Pockets' Mark.

3 39. As a direct and proximate result of the conduct of Defendants, and
each of them, Airplane Pockets is entitled to recover its actual damages, including
without limitation as a result of lost sales, lost profits, and efforts necessary to
minimize and/or prevent customer and other confusion.

40. Airplane Pockets is further entitled to disgorge Defendants' profits,
gains and advantages and is entitled to interest and to its attorney fees and costs
incurred in bringing this action, all in an amount to be proven at the time of trial.

10 41. Defendants' willful and intentional actions have caused and are
11 causing irreparable injury to Airplane Pockets and, unless enjoined, will continue to
12 cause irreparable injury and damage to its business, reputation and goodwill.

42. Defendants engaged in the foregoing conduct with oppression, fraud
and/or malice, and acted wantonly, willfully and with reckless disregard of the
rights of Airplane Pockets, thereby entitling Airplane Pockets to an award of
exemplary damages in an amount to be determined at trial.

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# THIRD CLAIM FOR RELIEF

# Violation of Lanham Act: False Designation of Origin

### - Against All Defendants

43. Airplane Pockets repeats and realleges the allegations in paragraphs 1
to 42 above as if fully set forth herein.

22 Airplane Pockets is informed and believes that, in violation of Section 44. 23 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), Defendants, and each of them, are 24 making, using, selling, and/or offering for sale the Tray Table Cover in a manner 25 which falsely conveys to consumers and the public that Airplane Pockets is the 26 seller, when in fact Defendants, and each of them, are acting for their sole benefit in 27 a competing enterprise without Airplane Pockets' authorization. In so doing, Airplane Pockets is informed and believes that Defendants, and each of them, have 28 -10-COMPLAINT

used and are continuing to use in commerce word(s), term(s), name(s), symbol(s),
 or device(s), or any combination thereof, and/or false designation(s) of origin, false
 or misleading description(s) of fact, and/or false or misleading representation(s) of
 fact, which

5	(a)	are likely to cause confusion or mistake, or to deceive as to (i)
6		the affiliation, connection, or association of Defendants with
7		Airplane Pockets, or (ii) the origin, sponsorship, or approval of
8		Defendants' goods, services, or commercial activities by
9		Airplane Pockets, or

(b) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of Defendants' goods, services, or commercial activities.

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45. Said use will confuse and deceive the public into thinking that the
goods sold and services provided by Defendants, and each of them, are Airplane
Pockets' goods and services, or that there is some lawful connection or affiliation
between Airplane Pockets and Defendants' renegade acts.

17 46. Defendants, and each of them, knew or should have known that their18 statements were false or likely to mislead.

47. Defendants' acts have injured or are likely to injure Airplane Pockets'
image, trade name, business reputation and good will within and among its
customers, vendors, manufacturers and the business community in this judicial
district and elsewhere in the world by creating confusion about and/or
dissatisfaction with Airplane Pockets' actual goods and services, a diminution of
the value of the goodwill associated with Airplane Pockets' business and a loss of
its business relationships.

48. Defendants' acts were a knowing, deliberate, intentional and willful
 attempt to injure Airplane Pockets' business, to trade on Airplane Pockets' prior
 success, reputation and business relationships, and to confuse, deceive and/or

1 interfere with Airplane Pockets' customers and other business relationships.

- 49. As an actual and proximate result of Defendants' willful and
  intentional actions, Airplane Pockets has suffered damages in an amount to be
  determined at trial, including without limitation as a result of lost sales, lost profits,
  and efforts necessary to minimize and/or prevent customer and other confusion.
- 50. Airplane Pockets is further entitled to disgorge Defendants' profits,
  gains and advantages and is entitled to interest and to its attorney fees and costs
  incurred in bringing this action, all in an amount to be proven at the time of trial.
- 9 51. Defendants' willful and intentional actions have caused are causing
  10 irreparable injury to Airplane Pockets and, unless enjoined, will continue to cause
  11 irreparable injury and damage to its business, reputation and goodwill.
- 52. Defendants engaged in the foregoing conduct with oppression, fraud
  and/or malice, and acted wantonly, willfully and with reckless disregard of the
  rights of Airplane Pockets, thereby entitling Airplane Pockets to an award of
  exemplary damages in an amount to be determined at trial.
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### FOURTH CLAIM FOR RELIEF

### Violation of 15 U.S.C. § 1125(d) of the Lanham Act – Against All Defendants

18 53. Airplane Pockets repeats and realleges the allegations in paragraphs 1
19 to 52 above as if fully set forth herein.

In violation of the "cyberpiracy prevention" law of Section 43(d) of 20 54. 21 the Lanham Act, 15 U.S.C. § 1125(d), Defendants, and each of them, with a bad 22 faith intent to profit from Airplane Pockets' Mark, have trafficked in or used a 23 domain name, including without limitation https://airplanepockets.com, which is 24 the same as or similar to Defendants' distinctive and/or famous Mark for their sole 25 benefit in a competing enterprise that is identical, confusingly similar to and/or 26 dilutive of Airplane Pockets' domain and Mark without Airplane Pockets' 27 authorization.

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55. As an actual and proximate result of Defendants' willful and -12-COMPLAINT

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1 intentional actions, Airplane Pockets has suffered damages in an amount to be 2 determined at trial, including without limitation as a result of lost sales, lost profits, 3 and efforts necessary to minimize and/or prevent customer and other confusion. 4 56. Airplane Pockets is further entitled to disgorge Defendants' profits, 5 and is entitled to interest and to its attorney fees and costs incurred in bringing this 6 action, all in an amount to be proven at the time of trial. 7 57. Defendants' willful and intentional actions have caused are causing 8 irreparable injury to Airplane Pockets and, unless enjoined, will continue to cause 9 irreparable injury and damage to its business, reputation and goodwill. 10 58. Defendants engaged in the foregoing conduct with oppression, fraud 11 and/or malice, and acted wantonly, willfully and with reckless disregard of the 12 rights of Airplane Pockets, thereby entitling Airplane Pockets to an award of 13 exemplary damages in an amount to be determined at trial. 14 FIFTH CLAIM FOR RELIEF 15 **Breach of Fiduciary and Other Duties – Against All Defendants**) 16 59. Airplane Pockets repeats and realleges the allegations in paragraphs 1 17 to 58 above as if fully set forth herein. 18 As an officer and board member of Airplane Pockets, Daniels owed 60. 19 and owes fiduciary duties to Airplane Pockets, including, but not limited to, the 20 duties of loyalty, care and good faith and fair dealing pursuant to California 21 Corporations Code §§ 17704.09(b), 17704.09(c), 17704.09(d) and 17704.09(f)(1). 22 61. As a member of Airplane Pockets, Daniels and/or Cal West owed and 23 owes duties to Airplane Pockets, including, but not limited to, the duty of good 24 faith and fair dealing pursuant to California Corporations Code §§ 17704.09(d) and 25 17704.09(f)(2). 26 62. Daniels and/or Cal West also owed and owe continuing duties, 27 including fiduciary duties, by virtue of the trust and confidence previously reposed in him or them by Airplane Pockets, including without limitation through Daniels' 28 -13-COMPLAINT

assignment of the Patent to Airplane Pockets and Airplane Pockets' reasonable
 reliance thereon to manufacture, market and sell the Tray Table Cover and build its
 business thereon without unfair competition by Daniels.

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63. Defendants, and each of them, breached their fiduciary duties to Airplane Pockets by, without any authorization by, among other things, improperly acting for their sole benefit in a competing enterprise without Airplane Pockets' authorization and misappropriating Airplane Pockets' customers, funds, accounts and other assets, as alleged above.

9 64. As a direct result of Defendants' conflict of interest, disloyalty and
10 dishonest acts, Defendants' breaches of fiduciary duty have proximately caused
11 damage to Airplane Pockets in an amount to be proven at trial.

12 65. Defendants engaged in the foregoing conduct with oppression, fraud
13 and/or malice, and acted wantonly, willfully and with reckless disregard of the
14 rights of Airplane Pockets, thereby entitling Airplane Pockets to an award of
15 exemplary damages in an amount to be determined at trial.

### SIXTH CLAIM FOR RELIEF

# **Conversion - Against All Defendants**

18 66. Airplane Pockets repeats and realleges the allegations in paragraphs 1
19 to 65 above as if fully set forth herein.

67. At all times relevant herein, Airplane Pockets owned, possessed,
and/or had a right to possess, and still owns and/or has the right to possess any and
all of its tangible and intangible property which it generated in house from its
exploitation of the patent, including without limitations moneys in Airplane
Pockets' bank accounts, the Tray Table Covers which Airplane Pockets
manufactured and paid for and the sales proceeds generated from Airplane Pockets'
contracts with and sales directly to its customers.

27 68. Defendants, and each of them, intentionally, wrongfully and
 28 substantially converted this property for their own use and for their personal benefit
 COMPLAINT

1 and gain as alleged above, including without limitation by taking possession of 2 Airplane Pockets' funds on account, Airplane Pockets' existing inventory of Tray 3 Table Covers and/or intercepting the sales proceeds from Airplane Pockets' prior 4 sales of Tray Table Covers and otherwise preventing Plaintiff from having access to 5 the same. 6 69. Airplane Pockets has demanded the immediate return of the above-7 mentioned property but Defendants failed and refused, and continue to fail and 8 refuse, to return the property to Airplane Pockets. 9 70. As a proximate result of these conversions, Airplane Pockets has been 10 damaged in an amount to be proven at trial. Defendants engaged in the foregoing conduct with oppression, fraud 11 71. 12 and/or malice, and acted wantonly, willfully and with reckless disregard of the 13 rights of Airplane Pockets, thereby entitling Airplane Pockets to an award of

exemplary damages in an amount to be determined at trial.

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# SEVENTH CLAIM FOR RELIEF

# Accounting - Against All Defendants

17 72. Airplane Pockets repeats and realleges the allegations in paragraphs 118 to 71 above as if fully set forth herein.

19 73. As described above, Defendants, and each of them, have received
20 monies belonging to Airplane Pockets, including without limitation for the sales of
21 Airplane Pockets' existing inventory of Tray Table Covers. Airplane Pockets is
22 further unaware of the exact amounts owed to it as a result of Defendants' breach of
23 fiduciary duties and/or conversions as alleged above.

74. Defendants, and each of them, owed and owe a duty to account in
detail to Airplane Pockets the specifics of these transactions and to hold this money,
real property, personal property, and other items of value in trust for Airplane
Pockets.

75. Plaintiffs have demanded a fair and accurate accounting, but -15-COMPLAINT

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1 Defendants, and each of them, have failed and refused, and continue to fail and 2 refuse, to provide any accounting of monies belonging to Airplane Pockets, 3 including without limitation for the sales of Airplane Pockets' existing inventory of 4 Tray Table Covers. The amount of money and/or other items of value received by Defendants is unknown to Airplane Pockets and cannot be ascertained without 5 6 Defendants' accounting thereof. 7 **EIGHTH CLAIM FOR RELIEF** Violation of California Penal Code § 502 - Against All Defendants 8 9 76. Airplane Pockets repeats and realleges the allegations in paragraphs 1 to 75 above as if fully set forth herein. 10 Defendants, and each of them, have engaged in tampering, 11 77. 12 interference, damage, and/or unauthorized access to lawfully created computer data 13 and computer systems within the meaning of California's Penal Code § 502, 14 including without limitation by: 15 *Penal Code* § 502(c)(1): Knowingly accessing and without (a) 16 permission altering or otherwise using Airplane Pocket's data, 17 computer, computer system, and/or computer network to (i) wrongfully control or obtain Airplane Pocket's money, 18 19 property, and/or data, such as by causing Airplane Pocket's 20 funds to be transferred to their Secret Accounts and/or 21 misappropriating Airplane Pocket's customer information for a 22 competing enterprise and/or (ii) devise or execute a scheme or 23 artifice to deceive Airplane Pockets; 24 *Penal Code* § 502(c)(2): Knowingly accessing and without (b) permission taking, copying, and/or making use of data from 25 26 Airplane Pockets' computer, computer system, or computer 27 network, such as by causing Airplane Pocket's funds to be 28 transferred to their Secret Accounts and/or misappropriating -16-COMPLAINT

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Airplane Pocket's customer information for a competing enterprise;

*Penal Code* § 502(c)(4): Knowingly accessing and without (c) permission altering data, computer software, or computer programs, without limitation by (i) unilaterally deactivating the Airplane Pockets email addresses of Airplane Pockets' members, managers and employees to prevent those individuals from conducting business on behalf of Airplane Pockets and to prevent Airplane Pockets from monitoring their unlawful activities; (ii) changing and/or misappropriating Airplane Pockets' company owned domain to their sole benefit; (iii) building "permissions" to funnel Airplane Pockets' business and sales to their new domain; (iv) revoking permissions to the Amazon sellers' portal so that Airplane Pockets cannot effect, manage and/or monitor sales; and/or (v) attempting to move Airplane Pockets' Shopify account to a separate account that Daniels and/or Cal West unilaterally owns and controls and away from Airplane Pockets' control and monitoring; and (d) *Penal Code* § 502(c)(5): Knowingly and without permission disrupting or causing the disruption of computer services or denying or causing the denial of computer services to an Airplane Pockets' authorized user(s) of its computer, computer system, or computer network, without limitation by (i) unilaterally deactivating the Airplane Pockets email addresses of Airplane Pockets' members, managers and employees to prevent those individuals from conducting business on behalf of Airplane Pockets and to prevent Airplane Pockets from monitoring their unlawful activities; (ii) changing and/or -17-COMPLAINT

misappropriating Airplane Pockets' company owned domain to 1 2 their sole benefit; (iii) building "permissions" to funnel 3 Airplane Pockets' business and sales to their new domain; (iv) 4 revoking permissions to the Amazon sellers' portal so that 5 Airplane Pockets cannot effect, manage and/or monitor sales; 6 and/or (v) attempting to move Airplane Pockets' Shopify 7 account to a separate account that Daniels and/or Cal West 8 unilaterally owns and controls and away from Airplane 9 Pockets' control and monitoring. 78. 10 These acts constitute one or more felonies under Penal Code § 502. 11 79. In doing these act(s), Defendants, and each of them, caused injury to 12 Airplane Pockets as defined in Penal Code § 502 by, without limitation, the 13 alteration and/or deletion of Airplane Pockets' computer system, computer network, 14 computer program, and/or or data, and by the denial of access to legitimate users of 15 Airplane Pockets' computer system, network, or program. 80. 16 Pursuant to Penal Code § 502, Airplane Pockets is entitled to 17 compensatory damages, including any expenditures to verify that its computer 18 system, computer network, computer program, or data was or was not altered, 19 damaged, or deleted by the access and its reasonable attorney fees. 20 81. Defendants engaged in the foregoing conduct with oppression, fraud 21 and/or malice, and acted wantonly, willfully and with reckless disregard of the 22 rights of Airplane Pockets, thereby entitling Airplane Pockets to an award of 23 exemplary damages in an amount to be determined at trial. 24 NINTH CLAIM FOR RELIEF 25 Violation of California Business and Professions Code 26 § 17200 et seq. - Against All Defendants 27 82. Airplane Pockets repeats and realleges the allegations in paragraphs 1 28 to 81 above as if fully set forth herein. -18-COMPLAINT

83. Defendants, and each of them, have engaged in unfair competition
 within the meaning of California's Business and Professions Code § 17200,
 because, the conduct alleged above constitutes:

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- (a) Unlawful Business Act(s) or Practice(s): Among other violations, Defendants have engaged in unlawful competitive practices which violate 15 U.S.C. §§ 1125(a) and 1125(d) and engaged in tampering, interference, damage, and/or unauthorized access to lawfully created computer data and computer systems which violate Penal Code § 502;
- Unfair Business Act(s) or Practice(s): Defendants' acts alleged 10 (b) above are unfair under any test of unfairness in that the utility 11 of Defendant's conduct in unfairly competing against Airplane 12 Pockets, including by misappropriating its customers, funds, 13 14 accounts and other assets, have caused or will cause substantial 15 injury to Airplane Pockets and/or consumers and countervailing 16 benefits to consumers or competition do not outweigh the 17 gravity of said injury; Defendants' conduct otherwise offends 18 public policy as it has been established by statutes, the common 19 law, or otherwise, is immoral, unethical, oppressive, and/or 20 unscrupulous, and/or causes substantial injury to consumers, 21 competitors and/or other businessmen; and/or there is a causal link between Defendants' business practices and a harm to 22 23 Airplane Pockets and consumers which cannot reasonably be 24 avoided:
  - (c) Fraudulent Business Act(s) or Practice(s): As a result of Defendants falsely conveying to consumers and the public that Airplane Pockets is the seller, when in fact Defendants, and each of them, are acting for their sole benefit in a competing -19-COMPLAINT

enterprise without Airplane Pockets' authorization, ordinary 1 2 consumers acting reasonably under the circumstances are likely 3 to be deceived as to the true source of the product; 4 (d) Unfair, Deceptive, Untrue, or Misleading Advertising: As a 5 result of Defendants falsely conveying to consumers and the 6 public that Airplane Pockets is the seller, when in fact 7 Defendants, and each of them, are acting for their sole benefit 8 in a competing enterprise without Airplane Pockets' 9 authorization, ordinary consumers acting reasonably under the 10 circumstances are likely to be deceived about the true source of 11 the product; and 12 (e) Acts Prohibited by Sections 17500-17577.5: Defendant have 13 violated California's Business and Professions Code § 17500, 14 et seq. as alleged in more detail in the Seventh Claim below and 15 incorporated herein by this reference. 16 84. As a result of Defendants' acts of unfair competition, Airplane Pockets 17 has suffered injury in fact and lost money or property. Pursuant to California's Business and Professions Code §§ 17203 and 18 85. 19 17206, Airplane Pockets is entitled to injunctive relief, restitution and disgorgement of Defendants' profits obtained through its unfair competitive practices and civil 20 21 penalties to the maximum extent permitted by law. 22 **TENTH CLAIM FOR RELIEF** 23 **Violation of California Business and Professions Code** 24 § 17500 et seq - Against All Defendants 25 86. Airplane Pockets repeats and realleges the allegations in paragraphs 1 26 to 85 above as if fully set forth herein. 27 87. Defendants, and each of them, have violated California's Business and 28 Professions Code § 17500, et seq., because, Defendants, with intent directly or -20-COMPLAINT

1 indirectly to dispose of property or perform services, have made or disseminated or 2 caused to be made or disseminated before the public in California and other state, 3 through publication and/or advertising, including over the internet, statements 4 concerning Defendants' property or services which are untrue or misleading, 5 including by purporting to sell and/or offer for sale the Tray Table Cover in a 6 manner which falsely conveys to consumers and the public that Airplane Pockets is 7 the seller, when in fact Defendants, and each of them, are acting for their sole 8 benefit in a competing enterprise without Airplane Pockets' authorization. 9 88. Defendants knew or should have known these statements were untrue 10 or misleading, and these statements are in fact likely to mislead consumers. 11 89. As a direct and proximate result of Defendants' misleading and false 12 advertisements, Airplane Pockets has suffered injury in fact and lost money. 13 90. Pursuant to California's Business and Professions Code §§ 17535 and 14 17536, Airplane Pockets is entitled to injunctive relief, restitution and disgorgement 15 of Defendants' profits obtained through its unfair competitive practices, and civil 16 penalties to the maximum extent permitted by law. 17 **ELEVENTH CLAIM FOR RELIEF Violation of California Business and Professions Code** 18 19 **Expulsion of Member - Against All Defendants** 20 91. Airplane Pockets repeats and realleges the allegations in paragraphs 1 21 to 90 above as if fully set forth herein. 22 Pursuant to California Corporations Code § 17706.02(e), Airplane 92. 23 Pockets applies to expel Daniels and/or Cal West (to the extent either or both hold a 24 member interest) as a member by judicial order because they have through the acts 25 complained of above: 26 (a) Engaged, or are engaging, in wrongful conduct that has 27 adversely and materially affected, or will adversely and 28 materially affect, Airplane Pockets' activities; -21-COMPLAINT

1	(b) Willfully or persistently committed, or are willfully and		
2	persistently committing, a material breach of their duties or		
3	obligations under Section 17704.09; and/or		
4	(c) Engaged, or are engaging, in conduct relating to the Airplane		
5	Pockets' activities that makes it not reasonably practicable to		
6	carry on the activities with the person as a member.		
7			
8	PRAYER FOR RELIEF		
9	WHEREFORE, Airplane Pockets demands judgment in its favor on its		
10	Complaint and requests the following relief:		
11	On the First Claim for Patent Infringement		
12	1. A judgment that Defendants, and each of them, have infringed and/or		
13	are infringing one or more claims of the Patent under 35 U.S.C. § 271;		
14	2. A preliminary and/or permanent injunction against Defendants, and		
15	each of them, prohibiting them, and their respective affiliates, employees, agents,		
16	officers, directors, attorneys, successors, and assigns and all those acting on behalf		
17	of or in active concert or participation with any of them, from directly or indirectly		
18	infringing the Patent or inducing or contributing to the infringement by others of		
19	the Patent, in accordance with 35 U.S.C. § 283;		
20	3. An award of damages adequate to compensate for the infringing acts,		
21	including at a minimum a reasonable royalty, in accordance with 35 U.S.C. § 284,		
22	in an amount of at least \$1 million;		
23	4. In view of Defendants' willful infringement, an increase of Airplane		
24	Pockets' damages award up to three times in accordance with 35 U.S.C. § 284;		
25	5. An award of interest and costs pursuant to 35 U.S.C. § 284;		
26	6. A declaration that this case is exceptional under 35 U.S.C. § 285 and		
27	an award to Airplane Pockets of its attorney fees, expenses and costs incurred in		
28	this action; and		
	COMPLAINT		

1 7. Such other relief as this Court deems just and proper. 2 On the Second, Third and Fourth Claims for Lanham Act Violations 3 A judgment that Defendants have violated 15 U.S.C. §§ 1125(a) and/or 1. 4 1125(d); 5 2. A preliminary and/or permanent injunction against Defendants, and 6 each of them, prohibiting them, and their respective affiliates, employees, agents, 7 officers, directors, attorneys, successors, and assigns and all those acting on behalf 8 of or in active concert or participation with any of them, from directly or indirectly 9 violating 15 U.S.C. §§ 1125(a) and/or 1125(d), in accordance with 15 U.S.C. §§ 10 1116; An award of damages adequate to compensate for Defendants' 11 3. 12 unlawful acts and/or an award of restitution or disgorgement, without limitation in accordance with 15 U.S. Code § 1117(a), in an amount of at least \$1 million; 13 14 4. In view of Defendants' intentional violations and/or use of a 15 counterfeit mark, treble damages of the amounts awarded under 15 U.S. Code § 16 1117(a) in accordance with 15 U.S. Code  $\S$  1117(b); 17 5. Statutory damages for the use of a counterfeit mark in accordance with 18 15 U.S. Code § 1117(c), in an amount of at least \$1 million; 19 All statutory damages permitted by law, without limitation in 6. 20 accordance with 15 U.S. Code §§ 1118(c) and/or 1117(d), in an amount of at least 21 \$1 million; 22 7. A judgment ordering Defendants, and each of them, to deliver up to 23 Airplane Pockets all labels, signs, prints, packages, wrappers, websites, social 24 media accounts and any and all other personal property, both tangible and 25 intangible, in accordance with 15 U.S.C. § 1118; 26 8. A judgment ordering the forfeiture or cancellation of all domain 27 name(s) or the transfer of all domain name(s) to Airplane Pockets pursuant to 15 28 U.S.C. § 1125(d); COMPLAINT

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1	9. A declaration that this case is exceptional under 15 U.S.C. § 1117 and		
2	an award to Airplane Pockets of its attorney fees incurred in this action;		
3	10. Punitive damages according to proof in an amount of at least \$2		
4	million;		
5	11. An award of interest and costs; and		
6	12. Such other relief as this Court deems just and proper.		
7	On the Fifth Claim for Breach of Fiduciary Duty		
8	1. An award of damages adequate to compensate for Defendants'		
9	unlawful acts and/or an award of restitution or disgorgement in an amount of at		
10	least \$1 million;		
11	2. A preliminary and/or permanent injunction against Defendants, and		
12	each of them, prohibiting them, and their respective affiliates, employees, agents,		
13	officers, directors, attorneys, successors, and assigns and all those acting on behalf		
14	of or in active concert or participation with any of them, from directly or indirectly		
15	violating their fiduciary duties as alleged above;		
16	3. Punitive damages according to proof in an amount of at least \$2		
17	million;		
18	4. Attorney fees as permitted by statute, contract and/or other law;		
19	5. Prejudgment interest as allowed by law; and		
20	6. Such other relief as this Court deems just and proper.		
21	On the Sixth Claim for Conversion		
22	1. An award of damages adequate to compensate for Defendants'		
23	unlawful acts and/or an award of restitution or disgorgement in an amount of at		
24	least \$1 million;		
25	2. A preliminary and/or permanent injunction against Defendants, and		
26	each of them, prohibiting them, and their respective affiliates, employees, agents,		
27	officers, directors, attorneys, successors, and assigns and all those acting on behalf		
28	of or in active concert or participation with any of them, from directly or indirectly -24- COMPLAINT		

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1	converting	Airplane Pockets' monies and/or other property;		
2	3.	Punitive damages according to proof in an amount of at least \$2		
3	million;			
4	4.	Attorney fees as permitted by statute, contract and/or other law;		
5	5.	Prejudgment interest as allowed by law; and		
6	6.	Such other relief as this Court deems just and proper.		
7	On the Seventh Claim for Accounting			
8	1.	1. An accounting from Defendants of all money, property, and other		
9	items of value received by Defendants which belong to Airplane Pockets, and an			
10	award of all amounts due and owing, in an amount of at least \$1 million;			
11	2.	Attorney fees as permitted by statute, contract and/or other law;		
12	3.	Prejudgment interest as allowed by law; and		
13	4.	Such other relief as this Court deems just and proper.		
14	On t	the Eigth Claim for Violation of Penal Code § 520		
15	1.	A preliminary and/or permanent injunction against Defendants, and		
16	each of them, prohibiting them, and their respective affiliates, employees, agents,			
17	officers, directors, attorneys, successors, and assigns and all those acting on behalf			
18	of or in active concert or participation with any of them, from directly or indirectly			
19	violating Penal Code § 520;			
20	2.	Pursuant to California's Penal Code § 520, a judgment for		
21	compensatory damages, including any expenditures to verify that its computer			
22	system, computer network, computer program, or data was or was not altered,			
23	damaged, or deleted by the access, in an amount of at least \$1 million;			
24	3.	Attorney fees as permitted by statute, contract and/or other law;		
25	4.	Punitive damages according to proof in an amount of at least \$2		
26	million;			
27	5.	Prejudgment interest as allowed by law; and		
28	6.	Such other relief as this Court deems just and proper.		
		-25- COMPLAINT		

### On the Ninth Claim for Violation of B&P Code § 17200

7. Pursuant to California's Business and Professions Code § 17203, a
preliminary and/or permanent injunction against Defendants, and each of them,
prohibiting them, and their respective affiliates, employees, agents, officers,
directors, attorneys, successors, and assigns and all those acting on behalf of or in
active concert or participation with any of them, from directly or indirectly
violating Business and Professions Code § 17200, *et seq.*;

8 8. Pursuant to California's Business and Professions Code § 17203, a
9 judgment of restitution and/or disgorgement of Defendants' profits obtained
10 through its unfair competitive practices, in an amount of at least \$1 million;

9. Pursuant to California's Business and Professions Code § 17206, civil
penalties to the maximum extent permitted by law;

10. Attorney fees as permitted by statute, contract and/or other law;

14 11. Punitive damages according to proof in an amount of at least \$215 million;

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12. Prejudgment interest as allowed by law; and

13. Such other relief as this Court deems just and proper.

# On the Tenth Claim for Violation of B&P Code § 17500

Pursuant to California's Business and Professions Code § 17535, a
 preliminary and/or permanent injunction against Defendants, and each of them,
 prohibiting them, and their respective affiliates, employees, agents, officers,
 directors, attorneys, successors, and assigns and all those acting on behalf of or in
 active concert or participation with any of them, from directly or indirectly
 violating Business and Professions Code § 17500, *et seq.*;

25 2. Pursuant to California's Business and Professions Code § 17535, a
26 judgment of restitution and/or disgorgement of Defendants' profits obtained
27 through its unfair competitive practices, in an amount of at least \$1 million;

3. Pursuant to California's Business and Professions Code § 17536, civil -26-COMPLAINT

1	penalties to the maximum extent permitted by law, in an amount of at least \$1			
2	million;			
2	4.	Attorney fees as perm	itted by statute, contract and/or other law;	
4	5.	Punitive damages according to proof in an amount of at least \$2		
5	million;	T unitive dumuges deed	ording to proor in an amount of at least \$2	
6	б.	Prejudgment interest a	as allowed by law; and	
7	7.	Such other relief as th	is Court deems just and proper.	
8	On t	On the Eleventh Claim to Expel Member		
9	1.	Pursuant to California	Corporations Code § 17706.02(e), a judgment	
10	expelling D	Daniels and/or Cal West	as member(s) of Airplane Pockets;	
11	2.			
12	3.	3. Such other relief as this Court deems just and proper.		
13	Demand for a Jury Trial			
14	Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure and/or other			
15	applicable law, Airplane Pockets respectfully requests a jury trial of all issues that			
16	may be tried to a jury in this action.			
17				
18	DATED: .	January 5, 2022		
19			FOUNDATION LAW GROUP LLP	
20				
21			<u>/s/ Eric Beane</u> Attorneys for Defendants	
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