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9	Attorneys for Plaintiff		
10	Central Bag & Burlap Co.		
11	UNITED STATES DISTRICT COURT		
12	DISTRICT OF ARIZONA		
12	CENTER AL DAG O DAIRLAR GO		
13	CENTRAL BAG & BURLAP CO.,	Civil Action No.:	
14	Plaintiff,	COMPLAINT FOR PATENT	
	v.	INFRINGEMENT	
15		(35 U.S.C. § 271)	
16	DIZPOT LLC; and DOES 1 through 10,		
17	D.C. L.	DEMAND FOR JURY TRIAL	
	Defendants.		
18			
19	Plaintiff Central Bag & Burlap Co. ("CBB") files this Complaint against Defendants		
20	Dizpot LLC ("Dizpot") and DOES 1 through 10 (collectively, "Defendants"), alleging as		
21	follows:		
22	I. <u>THE PARTIES</u>		
23	1. CBB is a Colorado corporation, having its principal place of business at 1700		
24	E 68th Avenue, Denver, Colorado 80229.		
25	2. Upon information and belief, Dizpot is an Arizona limited liability company		
26	in good standing with a principal place of business at 2430 W Mission Lane, #6, Phoenix,		
27	Arizona 85021. Upon further information and belief, Dizpot also owns and operates a retail		
28	store and distribution warehouse at this same principal place of business. Upon additional		

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information and belief, Dizpot owns and operates the website www.dizpot.com, which is an online retail store for various packaging products for the cannabis industry. The content of Dizpot's website and its interactive functionality is incorporated herein by this reference.

- 3. Dizpot is subject to process by serving its Statutory Agent, John Taylor Swick, at 208 E. Hayward Ave., Phoenix, Arizona 85020.
- 4. CBB is ignorant of the true names and capacities of the defendants sued herein as DOES 1 through 10, inclusive, and therefore sues said defendants by fictitious names. CBB will amend this Complaint to allege their true names and capacities when ascertained.
- 5. CBB is informed and believes and thereupon alleges that at all times relevant herein, each of the DOE defendants, and each of the named defendants, were the agents and/or employees of one or more of the other defendants, were acting within the course and scope of said agency and/or employment, and that each defendant has aided and assisted one or more of the other defendants in committing the wrongful acts alleged herein.
- 6. CBB is informed and believes and thereupon alleges that Defendants and each of them, conspired and agreed among themselves to do the acts complained of herein and were, in doing the acts complained of herein, acting pursuant to said conspiracy, and that each defendant sued herein is jointly and severally responsible and liable to CBB for damages alleged herein.

#### II. **JURISDICTION AND VENUE**

- 7. This is an action arising from Dizpot's infringement of CBB's federally-issued United States Design Patent No. D901,305 entitled "Jar" ("the '305 Patent") in violation of 35 U.S.C. § 271 et seq. The '305 Patent is attached hereto as Exhibit A and incorporated herein by reference. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338.
- 8. This Court has personal jurisdiction over Dizpot because its principal place of business is in this judicial district, it is an Arizona limited liability company, it has brickand-mortar retail outlets in this District, it has committed and continues to commit acts of infringement in violation of 35 U.S.C. § 271 in the State of Arizona, places infringing

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products into the stream of commerce, and with the knowledge or understanding that such products are sold in the State of Arizona, including in this District. Upon information and belief, Dizpot derives substantial revenue from the sale of infringing products within this District, expects its actions to have consequences within this District, and derives substantial revenue from interstate commerce.

9. Venue over this action is proper in this Court under 28 U.S.C. § 1400(b) because Dizpot resides in this judicial district, Dizpot has committed acts of infringement in this District, and has a regular and established place of business in this District.

### III. GENERAL ALLEGATIONS

## A. <u>CBB's Intellectual Property</u>

- 10. CBB is engaged in the business of, among other things, designing, developing, manufacturing, supply and distribution of packaging products for various industries, including agricultural, retail, restaurant, sanitation, and cannabis packaging. CBB's cannabis packaging products are offered and sold through its DBA, MMC Depot.
- 11. CBB has protected its innovative designs through seeking and obtaining numerous trademarks, trade dress, and design patents issued by the United States Patent and Trademark Office ("USPTO").
- 12. One of CBB's recognized and unique packaging designs is a square-bottom jar for concentrate, which is manufactured and sold under CBB's QUBE® brand. Information about that product is listed on CBB's website at www.mmcdepot.com and example photographs of the QUBE® jar are set forth below:



13. Further, on November 10, 2020, the USPTO duly and legally issued United States Design Patent No. D901,305 entitled "Jar" (see Exhibit A). CBB is the owner of all right, title, and interest in and to the '305 Patent, including the right to sue and collect damages for past infringement thereof. The assignment to CBB is recorded at reel and frame number 053922/0668, and is attached hereto as Exhibit B, and by this reference incorporated herein.

14. CBB incorporates the patented design of the '305 Patent in its QUBE® Jar.

### B. Defendants and their Conduct

9ML Child Resistant

**Square Concentrate** 

Jar-Black

15. Upon information and belief, Defendants are in the business of offering for sale, selling, marketing, and advertising, among other things, packaging products for the cannabis industry. According to Dizpot's website, Dizpot also offers for sale square-bottomed jars for the cannabis industry (hereafter, "Accused Product"):







Child Resistant Square Concentrate Jars-Clear

- 16. The overall appearance of the '305 Patent design and the corresponding design of the Accused Product are substantially the same. Indeed, an ordinary observer of the Defendants' jars will perceive the overall appearance of the jar design protected by the '305 Patent and the Accused Product to be substantially the same.
- 17. Table 1 illustrates Defendants' infringement by comparing figures from the '305 Patent with exemplary images of a sample QUBE® jar and a sample of the Accused Product.

1	TABLE 1		
2	'305 Patent Figures	QUBE® Jar	Accused Product
3 4			
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6			
7			
8	FIG.1		
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14	FIG.2		
15			
16 17			
18		100	
19			
20			
21	FIG.3		
22	1 10.5		
23			
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26			
27	FIG.4		
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18. As shown in these pictures, the Accused Product has a design that is the same or substantially the same as the design of the '305 Patent and Defendants' Accused Product. The designs are so similar as to be nearly identical such that an ordinary observer, giving such attention as a purchaser usually gives, would be so deceived by the substantial

similarity between the designs to be induced to purchase Defendants' Accused Product believing them to be substantially the same as the design protected by the '305 Patent.

- 19. At least as early as November 29, 2021, Defendants have had actual knowledge of the '305 Patent and of their infringement thereof through written notice. A copy of the notice is attached as Exhibit C and is incorporated herein by reference in its entirety.
- 20. Defendants responded to CBB's written notice on January 24, 2022, and advised it had ceased offering to sell and selling the Accused Product.
- 21. However, CBB discovered this was not true. CBB was still able to buy and obtained Accused Products from Defendants in late January 2022 and advised Defendants as such on June 28, 2022. A copy of the invoice reflecting this willful and deliberate sale is attached as Exhibit D and CBB's follow-up letter is attached as Exhibit E, and they are incorporated herein by reference in their entirety.
- 22. Moreover, to make matters worse, CBB was contacted in May 2022 by a Dizpot employee for a quote or price list to purchase large distributor level quantities of CBB's QUBE® jar. Specifically, Dizpot requested "container" distributor pricing, which means pricing for bulk quantities of approximately 225,000 QUBE® jars per "container." CBB's distributor pricing for "container" quantities is such that if Dizpot bought one (1) "container," that would cost well over \$100,000.
- 23. Accordingly, using CBB's "container" distributor pricing and Dizpot's mark-up in its sales pricing reflected for its Accused Product in Exhibit D, Dizpot's potential profit per "container" could be upwards of \$30,000 or more. Treble damages, if awarded, could thus be upwards of \$90,000 for each "container" of Accused Product sold.
- 24. In light of the above, Defendants indisputably had actual knowledge of the '305 Patent, and yet continued their making and use of the Accused Product that infringes the '305 Patent. Indeed, it is highly likely that Dizpot has sold the Accused Product in "container" level quantities and has enjoyed profits well into the six figures and potentially beyond.

25. Defendants did not regularize its activities when given many chances to do so over the last months, and Defendants' infringement of the '305 Patent has been and continues to be willful and intentional and with full knowledge of the existence and validity of the '305 Patent. The willful and intentional nature of Defendants' infringement entitles CBB to an award of treble damages pursuant to 35 U.S.C. § 284, Defendants' profits under 35 U.S.C. § 289, and to an award of its attorney's fees pursuant to 35 U.S.C. § 285.

### IV. FIRST CLAIM FOR RELIEF

(Infringement of U.S. Patent No. D901,305, 35 U.S.C. § 271(a))

- 26. CBB incorporates paragraphs 1 through 25 as though fully set forth herein.
- 27. By importing, using, offering for sale, and selling its jar in the United States that infringes the '305 Patent, without authorization or license from CBB, Defendants have been and are currently in violation of 35 U.S.C. § 271(a).
- 28. The Accused Product's design is nearly identical and substantially similar to the '305 Patent's design such that an ordinary observer would be deceived into purchasing the Accused Product, believing the Accused Product to be the same design protected by the '305 Patent.
- 29. Due to Defendants' infringement of the '305 Patent, CBB is entitled to recover from Defendants damages adequate to compensate for the infringement in an amount subject to proof at trial, but in no event less than a reasonable royalty, together with interest and costs under 35 U.S.C. § 284.
- 30. Additionally, CBB is entitled to recover Defendants' total profits from the sale of its Accused Product, pursuant to 35 U.S.C. § 289.
- 31. Further, Defendants had pre-suit knowledge of CBB's rights in the '305 Patent and have intentionally copied said design for their own products in an effort to pass them off as if they originated, are associated with, are affiliated with, are authorized by, and/or are approved by CBB. Accordingly, Defendants' infringement of the '305 Patent has been and continues to be willful and intentional and with full knowledge of the existence and validity thereof.

- 32. Due to Defendants' infringement of the '305 Patent, CBB has suffered, is suffering, and will continue to suffer irreparable injury and damage for which CBB has no adequate remedy at law. CBB is therefore entitled to a permanent injunction, pursuant to 35 U.S.C. § 283, against Defendants' further infringing conduct.
- 33. The willful and intentional nature of Defendants' infringement entitles CBB to an award of treble damages pursuant to 35 U.S.C. § 284, Defendants' profits pursuant to 35 U.S.C. § 289, and to an award of its attorney's fees pursuant to 35 U.S.C. § 285.

### V. PRAYER FOR RELIEF

WHEREFORE, CBB prays that the Court enter an Order for Judgment as follows:

- A. That Defendants have willfully infringed the '305 Patent;
- B. That Defendants, and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them, directly or indirectly, be permanently enjoined from infringing, inducing others to infringe, or contributing to the infringement of the '305 Patent;
- C. That Defendants, and their respective agents, servants, officers, directors, employees, and all persons acting in concert with them, directly or indirectly, be ordered to deliver up to CBB for destruction, or certify destruction of, all products that infringe the '305 Patent;
- D. That Defendants account for and pay to CBB damages adequate to compensate CBB for Defendants' unlawful conduct, in an amount to be proven at trial, together with interest and costs as fixed by the Court;
  - E. That Dizpot pay to CBB damages to the full extent permitted by law;
- F. That CBB be awarded treble damages under 35 U.S.C. § 284, Defendants' profits under 35 U.S.C. § 289, and its costs and attorneys' fees in accordance with 35 U.S.C. § 285, and any other appropriate statute or on the Court's own power;
- G. Directing and compelling all Defendants, and anyone acting in concert with or participating to:

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1	1. Deliver up for destruction all Accused Products in Defendants'		
2	possession, custody or control;		
3	2. Notify their customers of this Order for Judgment; and		
4	3. File a report with the Court in writing and under oath setting forth in		
5	detail the manner and form in which the Defendants have complied		
6	with any permanent injunction.		
7	H. That CBB be awarded pre-judgment and post-judgment interest; and		
8	I. That the Court award such other and further preliminary and permanent relief		
9	to CBB as the Court deems equitable and appropriate.		
10	VI. <u>JURY DEMAND</u>		
11	CBB hereby demands a jury trial on issues so triable.		
12			
13	Respectfully submitted,		
14	DATED: August 19, 2022 By: <u>/s/ Aaron P. Bradford</u> Aaron P. Bradford		
15	(Arizona Bar No. 028540)		
16	abradford@sheridanross.com Patricia Y. Ho		
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