# IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

MCS INDUSTRIES, INC.

2280 Newlins Mill Road

Easton, Pennsylvania 18045

**CIVIL ACTION** 

Case No.

Plaintiff

JURY TRIAL DEMANDED

v.

AT HOME STORES LLC

1600 East Plano Parkway Plano, Texas 75074

-and-

AT HOME PROCUREMENT INC.

1600 East Plano Parkway Plano, Texas 75074

Defendants

### **COMPLAINT**

Plaintiff, MCS Industries, Inc. ("MCS"), by and through its counsel, hereby files this Complaint for patent infringement against Defendants At Home Stores LLC and At Home Procurement Inc. (collectively, "At Home"). In support thereof, MCS avers the following:

### **PARTIES**

- 1. Plaintiff, MCS, is a corporation existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business located at 2280 Newlins Mill Road, Easton, Pennsylvania 18045.
- 2. Defendant, At Home Stores LLC is a Delaware limited liability company which, upon information and belief is regularly conducting sales activities and otherwise doing business in this judicial district. Upon information and belief, Defendant At Home Stores LLC is a limited

liability company established and existing under the laws of Delaware, with its principal place of business located at 1600 East Plano Parkway, Plano, Texas 75074. At Home Stores LLC can be served through its registered agent for service: Corporation Services Company, located at 251 Little Falls Drive, Wilmington, Delaware 19808.

3. Defendant, At Home Procurement Inc. is a Delaware corporation which, upon information and belief is regularly conducting sales activities and otherwise doing business in this judicial district. Upon information and belief, Defendant At Home Procurement Inc. is a corporation established and existing under the laws of Delaware, with its principal place of business located at 1600 East Plano Parkway, Plano, Texas 75074. At Home Procurement Inc. can be served through its registered agent for service: Corporation Services Company, located at 251 Little Falls Drive, Wilmington, Delaware 19808.

### **JURISDICTION AND VENUE**

- 4. This action arises under the Patent Laws of the United States, specifically Title 35 of the United States Code.
- 5. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 6. Venue is proper in this judicial district under 28 U.S.C. § 1400(b) because: (1) At Home has a regular and established place of business in this judicial district, at least due to the presence of its store located at 2520 MacArthur Road, Whitehall, Pennsylvania 18052; and (2) At Home has committed acts of infringement in this judicial district by selling and offering for sale Infringing Product (as defined in Paragraph 15 of this Complaint), as evidenced by Exhibit A. Exhibit A is a true and correct copy of a receipt evidencing a purchase of Infringing Product from At Home's store located at 2520 MacArthur Road, Whitehall, Pennsylvania 18052.

7. This Court has personal jurisdiction over At Home because At Home has transacted business and otherwise conducted sales activities in this district, has a regular and established place of business in this district, and has committed, contributed to, and induced acts of patent infringement in this district.

### **FACTS**

- 8. MCS owns a portfolio of patents covering over-the-door mirrors and over-the-door hanging apparatus, including United States Patent No. 9,480,350, United States Patent No. 9,801,478, United States Patent No. 10,835,061, and United States Patent No. 8,534,627 (collectively, "the Patents-in-Suit").
- 9. On November 17, 2020, the USPTO duly and legally issued United States Patent No. 10,835,061 (hereinafter "the '061 Patent"), entitled "Over-the-Door Mirror Apparatus." A copy of the '061 Patent is attached hereto as Exhibit A.
- 10. On October 31, 2017, the USPTO duly and legally issued United States Patent No. 9,801,478, (hereinafter "the '478 Patent"), entitled "Over-the-door Hanging Apparatus." A copy of the '478 Patent is attached hereto as Exhibit B.
- 11. On November 1, 2016, the United States Patent and Trademark Office ("USPTO") duly and legally issued United States Patent No. 9,480,350 (hereinafter "the '350 Patent"), entitled "Over-the-door Hanging Apparatus." A copy of the '350 Patent is attached hereto as Exhibit C.
- 12. On September 17, 2013, the USPTO duly and legally issued United States Patent No. 8,534,627, (hereinafter "the '627 Patent"), entitled "Over-the-door Hanging Apparatus." A copy of the '627 Patent is attached hereto as Exhibit D.
  - 13. MCS owns all right, title, and interest in and to the Patents-in-Suit.

- 14. MCS is in the business of designing, developing, manufacturing, and selling frames and other hanging products, including an over-the-door mirror that embodies the inventions claimed in the Patents-in-Suit. MCS considers its over-the-door mirror a signature product and has invested substantial resources in developing said over-the-door mirror and protecting the same.
- 15. At Home is a retailer whose business includes selling a wide variety of consumer products, including selling, offering for sale, and/or importing into Pennsylvania, specifically including within this judicial district, and elsewhere within the United States, over-the-door mirrors that infringe the Patents-in-Suit, including but not limited to a series of over-the-door mirror products<sup>1</sup> (hereinafter "the Infringing Product"). Pictures of the Infringing Product are attached hereto as Exhibit E.
- 16. MCS purchased several Infringing Products from At Home's retail store located at 2520 MacArthur Rd, Whitehall, PA 18052. *See*, Exhibit E, which includes photos of the Infringing Products displayed for sale at the Defendant's retail store.
- 17. Additionally, MCS has purchased Infringing Products from At Home's retail store located in Illinois, confirming widespread sales of the Infringing Product.
- 18. At Home has not sought nor obtained a license under the Patents-in-Suit and is not authorized or permitted to market, manufacture, use, perform, offer for sale, or sell any of the inventions claimed in the Patents-in-Suit.
- 19. Further, At Home's infringement is knowing and willful, as MCS has previously notified At Home that it holds various patents relating to over-the-door mirrors and hanging apparatus.

<sup>&</sup>lt;sup>1</sup> At Home sells the infringing over-the-door mirrors in a variety of shapes and sizes, all under its generic At Home brand.

- 20. Indeed, just last year MCS confronted At Home for selling over-the-door mirrors that MCS claims infringed its patents.
- 21. Despite this express confrontation regarding infringement of MCS' over-the-door mirror patents, MCS has come to learn that At Home is now selling the Infringing Products, which is a similar series of over-the-door mirrors that also infringe MCS' patents.
- 22. Accordingly, it simply cannot be said that At Home was not acting deliberately and with malicious intent when it began selling the Infringing Product.
- 23. In total disregard of MCS' known patents for over-the-door mirrors, At Home continues to sell the Infringing Product throughout the United States, both in its retail stores and through its website; https://www.athome.com/.
  - 24. MCS now seeks relief from this Court as more fully discussed below.

## COUNT I DIRECT INFRINGEMENT OF US PATENT NO. 10,835,061

- 25. The allegations of paragraphs 1-24 are incorporated as fully set forth.
- 26. Upon information and belief, the Defendant advertises, offers for sale, and sells the Infringing Product, which embodies the inventions of Claim 12 of the '061 Patent. See Claim-Chart attached at **Exhibit F**, which provides a detailed demonstration of how the Infringing Product reads on the inventions claimed within Plaintiff's patent.
- 27. Through its sale, offer for sale, use, and/or importation of the Infringing Product in Pennsylvania, including within this judicial district, and elsewhere within the United States, At Home has directly infringed the Patents-in-Suit under 35 U.S.C. § 271 (a) and will continue to do so unless enjoined by this Court.
- 28. At Home has written notice of its infringement of the Patents-in-Suit at least by nature of the service of this Complaint.

- 29. As a result of the aforesaid acts, At Home has damaged, and is continuing to damage, MCS.
- 30. As described more fully herein, At Home is deliberately and willfully infringing the Patents-in-Suit with full knowledge of the Patents-in-Suit, rendering this case "exceptional" under 35 U.S.C. § 285.
- 31. MCS has suffered monetary damages as a result of the infringing actions of At Home with respect to the Patents-in-Suit.
- 32. MCS has suffered and continues to suffer irreparable harm, for which there may be no adequate remedy at law, unless enjoined by this Court.
- 33. Upon information and belief, At Home will continue to infringe the Patents-in-Suit unless enjoined by this Court.

## COUNT II DIRECT INFRINGEMENT OF US PATENT NO. 9,801,478

- 34. The allegations of paragraphs 1-33 are incorporated as fully set forth.
- 35. Upon information and belief, the Defendant advertises, offers for sale, and sells the Infringing Product, which reads on the invention of Claim 12 of the '478 Patent. See Claim-Chart attached at **Exhibit G**, which provides a detailed demonstration of how the Infringing Product reads on the inventions claimed within Plaintiff's patent.
- 36. Through its sale, offer for sale, use, and/or importation of the Infringing Product in Pennsylvania, including within this judicial district, and elsewhere within the United States, At Home has directly infringed the Patents-in-Suit under 35 U.S.C. § 271 (a) and will continue to do so unless enjoined by this Court.
- 37. At Home has written notice of its infringement of the Patents-in-Suit at least by nature of the service of this Complaint.

- 38. As a result of the aforesaid acts, At Home has damaged, and is continuing to damage, MCS.
- 39. As described more fully herein, At Home is deliberately and willfully infringing the Patents-in-Suit with full knowledge of the Patents-in-Suit, rendering this case "exceptional" under 35 U.S.C. § 285.
- 40. MCS has suffered monetary damages as a result of the infringing actions of At Home with respect to the Patents-in-Suit.
- 41. MCS has suffered and continues to suffer irreparable harm, for which there may be no adequate remedy at law, unless enjoined by this Court.
- 42. Upon information and belief, At Home will continue to infringe the Patents-in-Suit unless enjoined by this Court.

# COUNT III <u>DIRECT INFRINGEMENT OF US PATENT NO. 9,480,350</u>

- 43. The allegations of paragraphs 1-42 are incorporated as fully set forth.
- 44. Upon information and belief, the Defendant advertises, offers for sale, and sells the Infringing Product, which reads on the invention of Claim 20 of the '350 Patent. See Claim-Chart attached at **Exhibit H**, which provides a detailed demonstration of how the Infringing Product reads on the inventions claimed within Plaintiff's patent.
- 45. Through its sale, offer for sale, use, and/or importation of the Infringing Product in Pennsylvania, including within this judicial district, and elsewhere within the United States, At Home has directly infringed the Patents-in-Suit under 35 U.S.C. § 271 (a) and will continue to do so unless enjoined by this Court.
- 46. At Home has written notice of its infringement of the Patents-in-Suit at least by nature of the service of this Complaint.

- 47. As a result of the aforesaid acts, At Home has damaged, and is continuing to damage, MCS.
- 48. As described more fully herein, At Home is deliberately and willfully infringing the Patents-in-Suit with full knowledge of the Patents-in-Suit, rendering this case "exceptional" under 35 U.S.C. § 285.
- 49. MCS has suffered monetary damages as a result of the infringing actions of At Home with respect to the Patents-in-Suit.
- 50. MCS has suffered and continues to suffer irreparable harm, for which there may be no adequate remedy at law, unless enjoined by this Court.
- 51. Upon information and belief, At Home will continue to infringe the Patents-in-Suit unless enjoined by this Court.

## COUNT IV DIRECT INFRINGEMENT OF US PATENT NO. 8,534,627

- 52. The allegations of paragraphs 1-51 are incorporated as fully set forth.
- 53. Upon information and belief, the Defendant advertises, offers for sale, and sells the Infringing Product, which reads on the invention of Claim 1 of the '627 Patent. See Claim-Chart attached at **Exhibit I**, which provides a detailed demonstration of how the Infringing Product reads on the inventions claimed within Plaintiff's patent.
- 54. Through its sale, offer for sale, use, and/or importation of the Infringing Product in Pennsylvania, including within this judicial district, and elsewhere within the United States, At Home has directly infringed the Patents-in-Suit under 35 U.S.C. § 271 (a) and will continue to do so unless enjoined by this Court.
- 55. At Home has written notice of its infringement of the Patents-in-Suit at least by nature of the service of this Complaint.

- 56. As a result of the aforesaid acts, At Home has damaged, and is continuing to damage, MCS.
- 57. As described more fully herein, At Home is deliberately and willfully infringing the Patents-in-Suit with full knowledge of the Patents-in-Suit, rendering this case "exceptional" under 35 U.S.C. § 285.
- 58. MCS has suffered monetary damages as a result of the infringing actions of At Home with respect to the Patents-in-Suit.
- 59. MCS has suffered and continues to suffer irreparable harm, for which there may be no adequate remedy at law, unless enjoined by this Court.
- 60. Upon information and belief, At Home will continue to infringe the Patents-in-Suit unless enjoined by this Court.

# COUNT V INDUCED INFRINGEMENT OF THE PATENTS-IN-SUIT

- 61. The allegations of paragraphs 1-60 are incorporated as fully set forth.
- 62. At Home has induced and continues to induce the direct infringement of the Patents-in-Suit by its customers and suppliers by, among other activities: (1) advising, encouraging, and intending for its customers to assemble and use the Infringing Product, which infringes the Patents-in-Suit; and (2) advising, encouraging, and intending for its suppliers to import the Infringing Product into the United States, which infringes the Patents-in-Suit.
- 63. At Home has written notice of its infringement of the Patents-in-Suit at least by nature of the service of this Complaint.
- 64. By continuing the aforesaid acts, At Home has the specific intent to induce the infringement of the Patents-in-Suit and is therefore liable under 35 U.S.C. § 271(b).

- 65. As a result of the aforesaid acts, At Home has damaged, and is continuing to damage, MCS.
- 66. Upon information and belief, At Home is deliberately and willfully infringing the Patents-in-Suit with full knowledge of the Patents-in-Suit, rendering this case "exceptional" under 35 U.S.C. § 285.
- 67. MCS has suffered monetary damages as a result of the infringing actions of At Home with respect to the Patents-in-Suit.
- 68. MCS has suffered and continues to suffer irreparable harm, for which there may be no adequate remedy at law, unless enjoined by this Court.
- 69. Upon information and belief, At Home will continue to infringe the Patents-in-Suit unless enjoined by this Court.

# COUNT VI CONTRIBUTORY INFRINGEMENT OF THE PATENTS-IN-SUIT

- 70. The allegations of paragraphs 1-69 are incorporated as fully set forth.
- 71. At Home has contributed, and continues to contribute, to the direct infringement of the Patents-in-Suit by its customers by, among other activities, offering to sell or by selling within the United States the Infringing Product, knowing that the Infringing Product is especially made or especially adapted for use in infringing the Patents-in-Suit when assembled and/or used.
- 72. The Infringing Product, including its components, are not staple articles or commodities of commerce suitable for substantial noninfringing use. The Infringing Product, and components thereof, have no substantial noninfringing uses because they cannot be used, in any practical sense, for purposes other than causing and/or contributing to the infringement of the Patents-in-Suit.

- 73. At Home has written notice of its infringement of the Patents-in-Suit at least by nature of the service of this Complaint.
- 74. By continuing the aforesaid acts, At Home has the specific intent to contribute to the infringement of the Patents-in-Suit and is therefore liable under 35 U.S.C. § 271(c).
- 75. As a result of the aforesaid acts, At Home has damaged, and is continuing to damage, MCS.
- 76. Upon information and belief, At Home is deliberately and willfully infringing the Patents-in-Suit with full knowledge of the Patents-in-Suit, rendering this case "exceptional" under 35 U.S.C. § 285.
- 77. MCS has suffered monetary damages as a result of the infringing actions of At Home with respect to the Patents-in-Suit.
- 78. MCS has suffered and continues to suffer irreparable harm, for which there may be no adequate remedy at law, unless enjoined by this Court.
- 79. Upon information and belief, At Home will continue to infringe the Patents-in-Suit unless enjoined by this Court.

### **DAMAGES AND PERMANENT INJUNCTION**

- 80. At Home's infringement of the one or more claims of the Patents-in-Suit has and will continue to damage Plaintiff.
  - 81. MCS seeks an award of damages to compensate it for At Home's infringement.
- 82. In addition, MCS further seeks to permanently enjoin At Home from infringing the Patents-in-Suit. At Home's sale of the Infringing Product at discounted prices is damaging the market and MCS's ability to commercialize the inventions of the Patents-in-Suit, including eroding the market and price for the inventions claimed in the Patents-in-Suit. Accordingly, if At Home is not permanently enjoined, MCS will suffer irreparable harm in the form of lost market share,

permanent price erosion, goodwill, harms, and losses for which there is no adequate remedy at law.

- 83. At Home's continued offer for sale and sale of the Infringing Product despite being expressly notified of Plaintiff's patents surrounding over-the-door mirrors supports a finding of willfulness of infringement of the Patents-in-Suit. Moreover, MCS intends to seek discovery on the issue of At Home's deliberate infringement and reserves all of its rights to seek a finding of willful and malicious conduct regarding At Home's acts of infringement prior to the filing of this Lawsuit with respect to the Patents-in-Suit and/or post-suit acts of infringement with respect to the Patents-in-Suit.
- 84. MCS seeks that this Court grant: (1) enhanced damages up to treble the amount found or assessed; (2) declare this case "exceptional" and award Plaintiffs their reasonable attorneys' fees; and (3) grant MCS such other relief as is just and proper.

### JURY DEMAND

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

#### PRAYER FOR RELIEF

As a result of and in light of the foregoing, MCS respectfully requests that the Court find in its favor and against At Home, and that the Court grant MCS the following relief:

- (a) A judgment in favor of MCS that At Home has directly infringed the Patents-in-Suit, and/or that At Home has indirectly infringed the Patents-in-Suit by way of inducing and/or contributing to the direct infringement by its customers;
- (b) A permanent injunction, pursuant to 35 U.S.C. § 283, enjoining At Home and its officers, directors, agents, affiliates, employees, installers, branches, subsidiary and parent

entities, and all others acting in active concert therewith, from infringing, inducing the infringement of, or contributing to the infringement of the Patents-in-Suit;

- (c) An award to MCS of damages adequate to compensate MCS for At Home's acts of infringement, together with pre-judgment and post-judgment interest thereon;
- (d) A declaration by this Court that this is an exceptional case and including an award to MCS of their reasonable attorneys' fees and costs in accordance with 35 U.S.C. §285; and
  - (e) Any and all further relief that this Court deems just and proper.

Respectfully submitted,

### **BOCHETTO & LENTZ, P.C.**

/s/ Gavin P. Lentz

By:

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Attorneys for Plaintiff

Date: August 26, 2022

## **VERIFICATION**

- I, Michael Pyle, pursuant to 28 U.S.C. 1746, declare as follows:
- 1. I am a Senior Director at Plaintiff MCS Industries, Inc., and I am authorized to make this verification on behalf of Plaintiff MCS Industries, Inc.; and
- 2. I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

EXECUTED THIS 26th, day of August, 2022

Michael Pyle