

JURISDICTION AND VENUE

4. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. §§ 1, *et seq.*, and this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a).

5. This Court has personal jurisdiction over ACW and venue is proper pursuant to 28 U.S.C. § 1400(b) because ACW is a North Carolina corporation with its principal office located in this District.

FACTS

6. The '602 Patent duly and legally issued on October 15, 2019, and is valid and enforceable.

7. A true and correct copy of the '602 Patent is attached as Exhibit A.

8. Plaintiff is the assignee of the '602 Patent with ownership of all substantial rights thereto.

9. As of the date of the filing of this Complaint, ACW's websites, <https://www.atlanticpkg.com/industries/cannabis/> and <http://safercannabispackaging.com/>, advertise custom-printed, child-resistant, carton-and-tray-combinations for the cannabis industry.

10. As of the date of the filing of this Complaint, ACW's website, <http://safercannabispackaging.com/about-us/>, states that ACW "holds the exclusive license for manufacturing and selling Locked4Kids cartons in the cannabis space."

11. Upon information and belief, ACW licenses the Locked4Kids child-resistant packaging design from Ecobliss Holding B.V. ("Ecobliss").

12. ACW manufactures and sells custom-printed, child-resistant, cartons-and-trays for packaging edible products, including edible cannabis products ("edibles packaging").

13. Edible products packaged in ACW's edibles packaging are marketed and sold to consumers in the United States.

14. As of the date of the filing of this complaint, ACW's website, <http://safercannabispackaging.com/printing-graphics/>, depicts certain examples of its edibles packaging including, but not limited to, packaging for incredibles™ cannabis-infused chocolate bars.



15. Green Thumb Industries Inc. distributes incredibles™ bars and as of the date of the filing of this Complaint, its website, <https://iloveincredibles.com/where-to-find-us/>, indicates that its products are available for purchase from retailers located in Colorado, Illinois, Maryland, Massachusetts, Nevada, and Ohio. One of these products, packaged in ACW's edibles packaging, was purchased at Fine Fettle, 115 Newburyport Turnpike, Rowley, Massachusetts 01969.

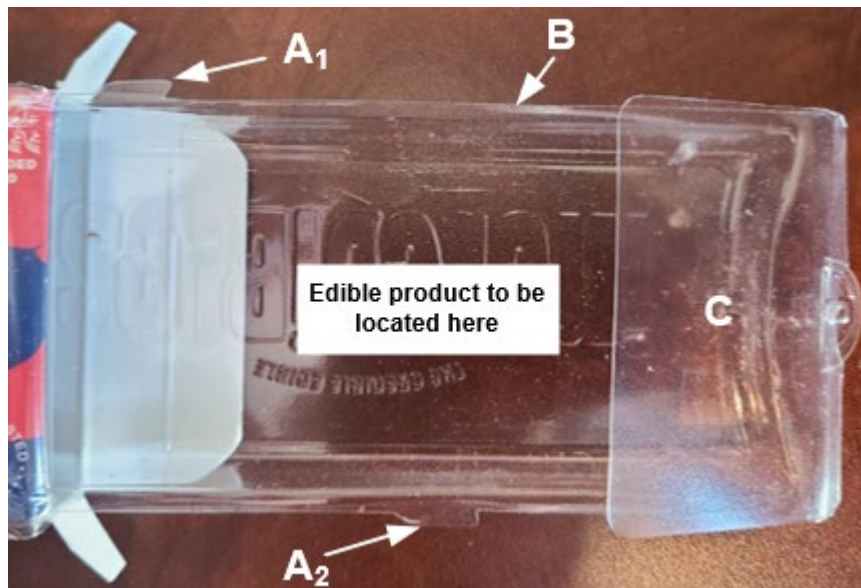
16. To access the chocolate or other edible product packaged in ACW's edibles packaging, the consumer must, as instructed and/or prompted by the packaging, press or squeeze two tabs located on opposite sides of the tray of the carton with one hand while sliding slide out a tray containing the edible product.

17. Independent Claim 8 of the '602 Patent recites:

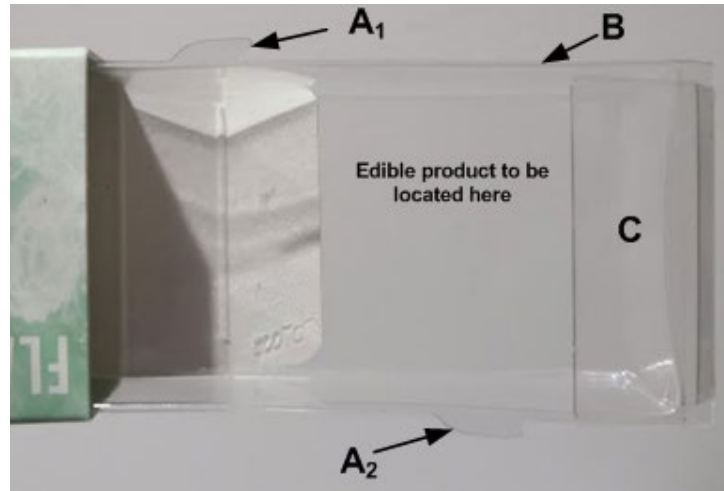
A dispensing method, comprising the steps of:

- [1] pressing or pulling at least two protrusions extending substantially perpendicularly from a flexible wall of a tray, wherein the flexible wall extends above and around at least one edible product, wherein at least one of the at least two protrusions is on a side of the tray opposite of another protrusion;
- [2] bowing the flexible wall either inwardly or outwardly; and
- [3] moving the tray with the at least one edible product while the flexible wall is bowed.

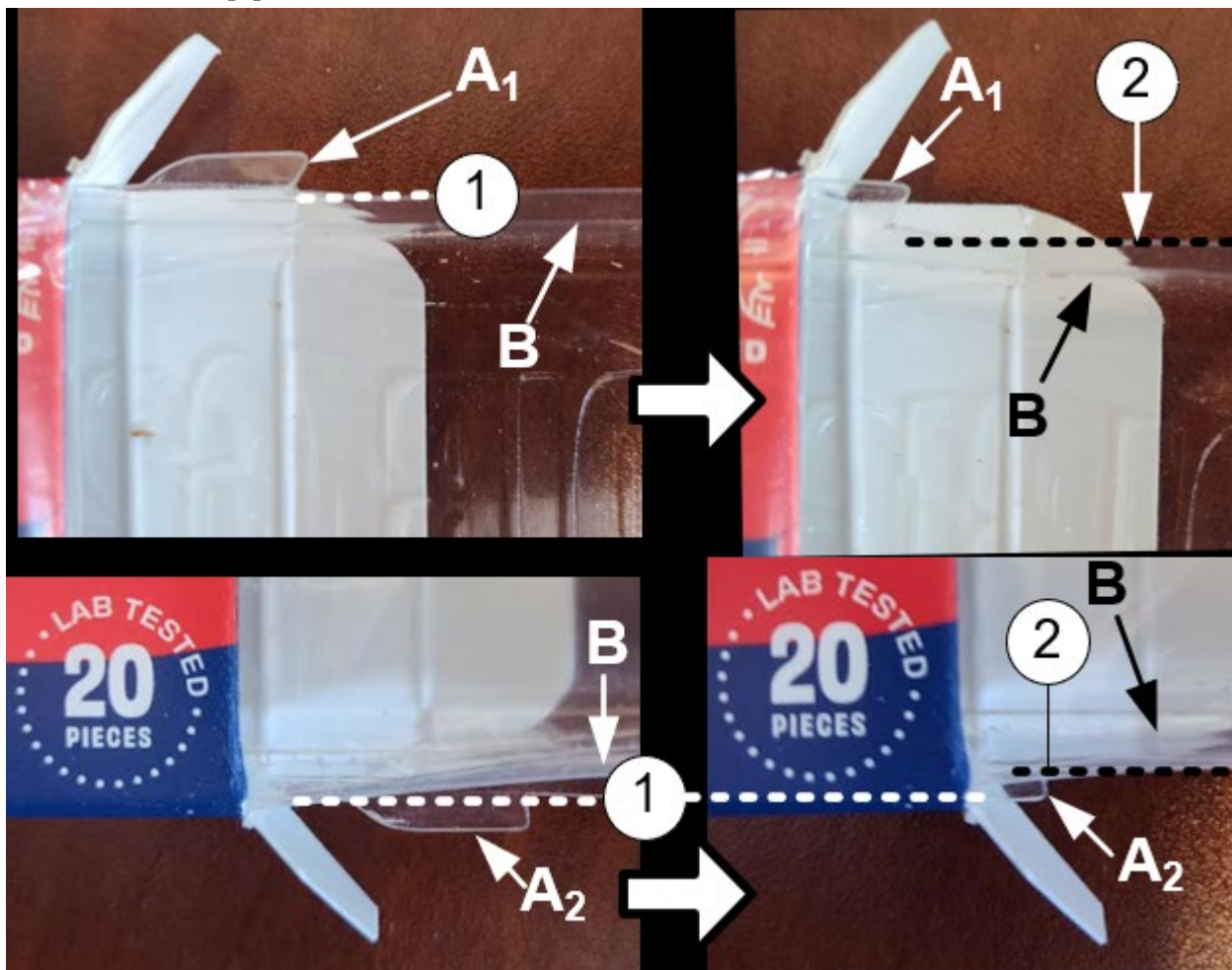
18. Third-party consumers of edible products packaged in ACW's edibles packaging "press[] ... at least two protrusions [A₁ and A₂] extending substantially perpendicularly from a flexible wall [B] of a tray [C], wherein the flexible wall extends above and around at least one edible product, wherein at least one of the at least two protrusions is on a side of the tray opposite of another protrusion," thereby meeting all the limitations of claim element [1].



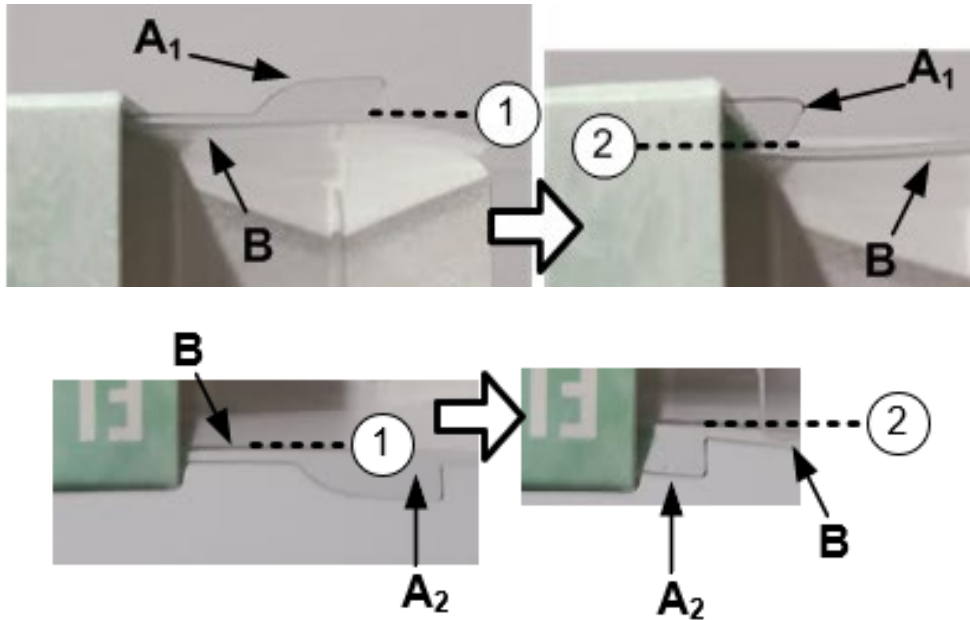
The same is true for the below generic "Flat Pack" version of ACW's edibles packaging that it offers to customers directly for retail considerations:



19. Third-party consumers of edible products packaged in ACW’s edibles packaging “bow[] the flexible wall [B] ... inwardly [point 1 to point 2],” thereby meeting all the limitations of claim element [2].



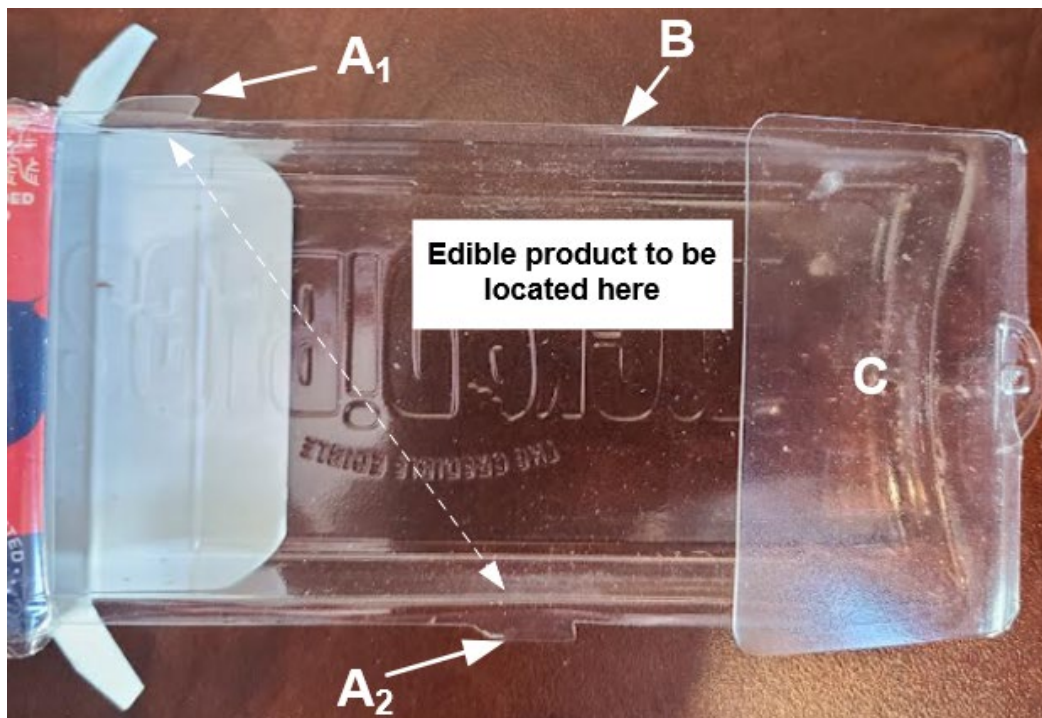
The same is true for the below generic “Flat Pack” version of ACW’s edibles packaging that it offers to customers directly for retail considerations:



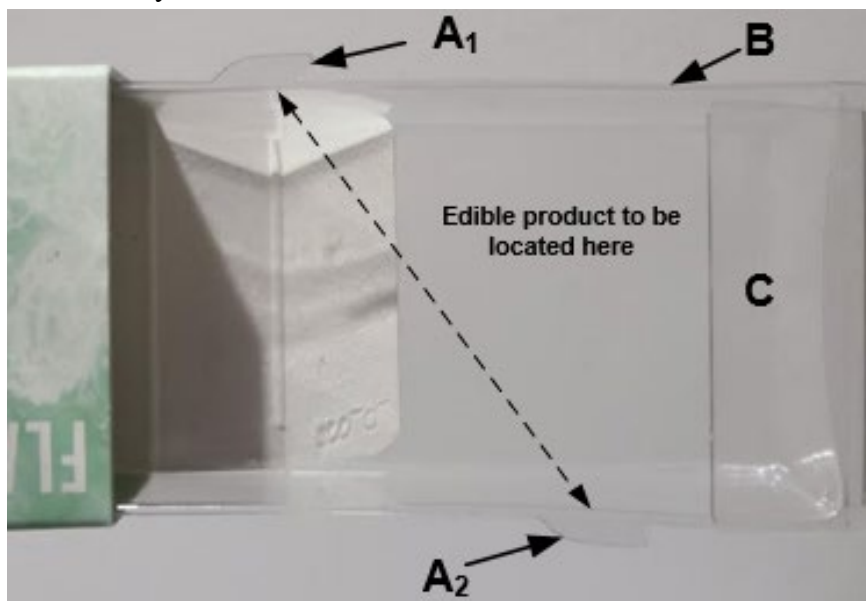
20. Third-party consumers of edible products packaged in ACW’s edibles packaging, such as the incredibles™ packaging, “mov[e] the tray [C] with the at least one edible product while the flexible wall [B] is bowed [bowing of B from point 1 to point 2],” thereby meeting the limitations of claim element [3]. The instruction to move the tray with the at least one edible product while the flexible wall is bowed is found on the rectangular container for the incredibles™ edibles packaging made by ACW:



21. As the below annotated photograph of ACW's edibles packaging shows, the at least two protrusions [A₁ and A₂] are diagonally opposite one another about the flexible wall [B]:



The same is true for the below generic “Flat Pack” version of ACW’s edibles packaging that it offers to customers directly for retail considerations:



22. Sales of edible products packaged in ACW’s edibles packaging, including but not limited to incredibles™ bars, necessarily causes and results in direct infringement of the method of claims 8-16 of the ‘602 Patent.

23. ACW received an email from Plaintiff providing notice of infringement of the ‘602 Patent on October 28, 2019.

24. ACW received another email from Plaintiff on January 1, 2020, providing notice of infringement of the ‘602 Patent.

25. Upon information and belief, ACW requested that Ecobliss respond to the notices of infringement of the ‘602 Patent on its behalf.

26. In an email to Plaintiff dated January 8, 2020, counsel for Ecobliss stated: “We take patent rights seriously and are evaluating the materials that you provided. We will be back to you when we have completed our analysis.”

27. In an email to Plaintiff dated February 13, 2020, counsel for Ecobliss stated: “We are finishing up our review and will be consulting with our client.”

28. In an email to Plaintiff dated March 30, 2020, counsel for Ecobliss responded to a request from Plaintiff for an update by stating: “These are unprecedented times, and we will be back to you shortly.”

29. During a telephone conference between Plaintiff and Ecobliss on July 28, 2020, Plaintiff provided additional explanations to counsel for Ecobliss regarding of infringement of the ‘602 Patent by ACW.

30. In an email to Plaintiff dated August 31, 2020, counsel for Ecobliss stated: “I apologize that we are working with people from the Netherlands, and August is the holiday period for people in the Netherlands. ... I will be back in touch with our client now that we are moving into September.”

31. In an email to Plaintiff dated October 14, 2020, counsel for Ecobliss asserted: “the analysis ... provided in [the] previous letter is quite minimalistic and does not address all of the elements in the claims and does not relate these elements to our client’s product.”

32. Counsel for Ecobliss received claim charts from Plaintiff on January 25, 2021.

33. In an email to Plaintiff dated March 26, 2021, counsel for Ecobliss stated: “We have received the previous email with the claim chart. We are reviewing....”

34. In an email to Plaintiff dated April 29, 2021, counsel for Ecobliss indicated that he “would like to discuss this case ...over the telephone.”

35. During a May 4, 2021, telephone discussion with Plaintiff, counsel for Ecobliss alleged that his client had prior art to the ‘602 Patent which had not previously been considered during prosecution before the USPTO. At that time, Plaintiff requested that counsel for Ecobliss

provide copies of any alleged prior art to the '602 Patent. Counsel for Ecobliss stated that the alleged prior art would not be provided.

36. In an email dated May 4, 2021, that was sent after the May 4, 2021 telephone discussion, Plaintiff against requested that counsel for Ecobliss provide the prior art references to which they referred.

37. In an October 5, 2021, email to Plaintiff, counsel for Ecobliss wrote, "...a demonstration to you of the invalidity of your claims would leave you in a position where you could not ethically enforce the patent against other entities. My client does not wish to unnecessarily destroy the value of your patents."

COUNT I
Inducing Infringement (35 U.S.C. § 271(b))

38. Plaintiff incorporates each of the foregoing allegations by reference as if fully set forth herein.

39. Third-party consumers of edible products packaged in ACW's edibles packaging directly infringe at least claims 8-16 of the '602 Patent.

40. ACW induced the third-party consumers of edible products packaged in ACW's edibles packaging, such as those using the incrediblesTM edibles packaging, to perform the acts that directly infringe the '602 Patent.

41. ACW has knowledge of the '602 Patent and that the third-party consumers are performing the acts that directly infringe the '602 Patent.

42. ACW encourages or assists the infringing activity by, for example, providing its edibles packaging, promoting use of its edibles packaging in an infringing manner, and providing instructions for engaging in uses that infringe the '602 Patent.

43. ACW instructs and intends for others, including the third-party consumers, to practice, literally or equivalently, at least each and every element of the method of claim 8 of the '602 Patent.

44. ACW engages in such conduct without the consent or authorization of Plaintiff.

45. ACW encourages or assists the infringing activity by providing instructions on how to retrieve and store edible products in its edibles packaging.

46. After receiving notice of infringement of the '602 Patent in October 2019, ACW knew that making and selling its edibles packaging caused infringement of the '602 Patent, or it was otherwise willfully blind to that fact.

47. After receiving notice of infringement of the '602 Patent in October 2019, ACW knew that making and selling its edibles packaging with instructions for use of the same in an infringing manner induced direct infringement of the '602 Patent, and so believed that it was inducing direct infringement, or it was otherwise willfully blind to that fact.

48. ACW has acted with reckless disregard of Plaintiff's intellectual property rights.

49. Plaintiff has been damaged as a result of ACW's willfully infringing conduct. For example, despite knowledge of its infringement of the '602 Patent, ACW engaged in a course of conduct that allowed it to continue to infringe the '602 Patent while it used Ecobliss' counsel to unnecessarily protract negotiations over licensing of the '602 Patent with Plaintiff.

50. To continue to infringe the '602 Patent, ACW used Ecobliss' counsel to do the following: (i) avoid timely responding to Plaintiff's communications, even on relatively simple matters concerning ACW's infringement of the '602 Patent, (ii) failing to engage in good faith discussions regarding Plaintiff's allegations, and (iii) depriving Plaintiff of material information

to properly negotiate the value for the '602 Patent license, such as sales volumes and the prior art that Ecobliss' counsel claimed would invalidate the '602 Patent.

51. Using the prospect of negotiations to string along Plaintiff and then deprive Plaintiff of information to assist in making a decision shows that ACW was not genuinely interested in negotiations with Plaintiff but using these negotiations with Ecobliss' counsel to distract Plaintiff from enforcing its rights while ACW continued its willful infringements of the '602 Patent.

52. Plaintiff has been damaged by the willfully infringing activity alleged herein, and ACW is liable to Plaintiff in an amount that adequately compensates for such infringements which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284. Additionally, this Court should enhance the damages assessed against ACW to compensate Plaintiff for ACW's willful infringements under 35 U.S.C. § 284. Further, this Court should find that this is an exceptional case warranting attorney fees against ACW and in favor of Plaintiff.

COUNT II
Contributory Infringement (28 U.S.C. § 271(c))

53. Plaintiff incorporates each of the foregoing allegations by reference as if fully set forth herein.

54. Third-party consumers of edible products packaged in ACW's edibles packaging directly infringe claim 8 of the '602 Patent.

55. ACW has knowledge of the '602 Patent and that its making and selling of its edibles packaging results in direct infringement of the '602 Patent, or it was otherwise willfully blind.

56. ACW instructs and intends for third-party customers to practice the method of claim 8 of the '602 Patent.

57. ACW engages in such conduct without the consent or authorization of Plaintiff.

58. ACW manufactures and sells its edibles packaging with the specific intent that third-party consumers practice the methods of claims 8-16 of the '602 Patent.

59. ACW contributes to direct infringement of the '602 Patent by making and selling its edibles packaging.

60. ACW's edibles packaging is specially designed to practice the methods of claims 8-16 of the '602 Patent.

61. ACW's edibles packaging constitutes a material part of the practice of the method of claim 8 of the '602 Patent.

62. ACW's edibles packaging is not a staple article of commerce suitable for substantial non-infringing uses.

63. After receiving notice of infringement of the '602 Patent in October 2019, ACW knew that its making and selling of its edibles packaging contributed to direct infringement of the '602 Patent by third-party consumers, or it was otherwise willfully blind.

64. ACW has acted with reckless disregard of Plaintiff's intellectual property rights.

65. Plaintiff has been damaged as a result of ACW's willfully infringing conduct. For example, despite knowledge of its infringement of the '602 Patent, ACW engaged in a course of conduct that allowed it to continue to infringe the '602 Patent while it used Ecobliss' counsel to unnecessarily protract negotiations over licensing of the '602 Patent with Plaintiff.

66. To continue to infringe the '602 Patent, ACW used Ecobliss' counsel to do the following: (i) avoid timely responding to Plaintiff's communications, even on relatively simple

matters concerning ACW's infringement of the '602 Patent, (ii) failing to engage in good faith discussions regarding Plaintiff's allegations, and (iii) depriving Plaintiff of material information to properly negotiate the value for the '602 Patent license, such as sales volumes and the prior art that Ecobliss' counsel claimed would invalidate the '602 Patent.

67. Using the prospect of negotiations to string along Plaintiff and then deprive Plaintiff of information to assist in making a decision shows that ACW was not genuinely interested in negotiations with Plaintiff but using these negotiations with Ecobliss' counsel to distract Plaintiff from enforcing its rights while ACW continued its willful infringements of the '602 Patent.

68. Plaintiff has been damaged by the willfully infringing activity alleged herein, and ACW is liable to Plaintiff in an amount that adequately compensates for such infringements which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284. Additionally, this Court should enhance the damages assessed against ACW to compensate Plaintiff for ACW's willful infringements under 35 U.S.C. § 284. Further, this Court should find that this is an exceptional case warranting attorney fees against ACW and in favor of Plaintiff.

69. Plaintiff has been damaged as a result of ACW's willfully infringing conduct described in this Court.

70. ACW is liable to Plaintiff in an amount that adequately compensates for such infringements, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

- A. A judgment that ACW has contributorily infringed the patent-in-suit and/or induced infringement of the '602 Patent;

- B. A judgment that ACW's induced and/or contributory infringements of the '602 Patent has been willful;

- C. A ruling that this case be found to be exceptional under 35 U.S.C. § 285;

- D. A judgment awarding to Plaintiff its attorneys' fees incurred in prosecuting this action;

- E. A judgment and order requiring ACW to pay Plaintiff damages under 35 U.S.C. § 284, including supplemental damages for any continuing post-verdict infringement up until entry of the final judgment, with an accounting, as needed, and enhanced damages for willful infringement as provided by 35 U.S.C. § 284.

- F. A judgment and order requiring ACW to pay Plaintiff the costs of this action (including all disbursements);

- G. A judgment and order requiring ACW to pay Plaintiff pre-judgment and post-judgment interest on the damages awarded;

- H. A judgment and order requiring that Plaintiff be awarded a compulsory ongoing licensing fee; and

I. That Plaintiff be granted such other and further relief as the Court may deem just and proper under the circumstances.

Date: April 11, 2022

Respectfully submitted,

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