COMPLAINT; CASE No. 2:23-cv-1427

Plaintiff Urban Dollz LLC d/b/a Urban Doll ("Plaintiff" or "Urban Doll") hereby brings this Complaint for false advertising and false patent marking against Lashify, Inc. ("Lashify") and Sahara Lotti ("Lotti") (collectively "Defendants"):

NATURE OF THE ACTION

- 1. As Lashify and its founder, Sahara Lotti, know and announced in a public post on May 12, 2020, "falsely claiming patents or patents pending is illegal and false marketing." *See* Declaration of Sima Mosbacher in Support of Complaint ("Mosbacher Dec."), Ex. A at 1.
- 2. Yet, for years, Lashify and Lotti, who have built their entire business and professional reputation on the concepts of invention and innovation, have been falsely claiming that their products are "patented," unlawfully harassing lawful competitors as infringers and "copycats," and using false representations about intellectual property to prevent lawful competitors from entering the market for lashes and other cosmetics products.
- 3. Lashify and Lotti have positioned themselves as a "think tank" that holds "truth in advertising" at the company's "core."

"truth in advertising" at the company's "core."

THE BEAUTY THINK

TANK®

Much more than just an award-winning brand, Lashify its disruption and innovation— holding over 185 patent trademarks worldwide. As the inventors of the Underlands and apply DIV lash over 185 patents.

but the corporate model.

Much more than just an award-winning brand, Lashify is known for its disruption and innovation— holding over 185 patents and 167 trademarks worldwide. As the inventors of the Underlash Technology™, and the worlds first and only DIY lash extension system, we make complex beauty applications simple. At our core is transparency, truth in advertising, creating superior products that empower our clients, while making the impossible possible. As disruptors we continue to disrupt not only the beauty industry,

12

11

13 14

15 16

17

18 19

20

21

22

23 24

25

26

27 28

Declaration of Thomas Martin in Support of Complaint ("Martin Decl."), Ex. A at 19 (highlighting added).

- Yet, Lashify and Lotti have persisted in making prominent false and unsubstantiated objective and quantifiable claims about key elements of their products.
- Despite their representations and marketing, rather than employing true 5. innovation and truthful advertising, Lashify and Lotti have instead attempted to bully others out of lawful market entry through the court system. These efforts constituting unlawful false advertising and false patent marking—are harmful to Urban Doll, consumers, and the market at large, and must be stopped.

PARTIES

- 6. Plaintiff Urban Doll is a California Limited Liability Company with its principal place of business at 601 W. 5th Street, Suite 1100, Los Angeles, California 90071.
- Upon information and belief, Defendant Lashify is a corporation 7. organized under the laws of Delaware with its principal place of business at 11437 Chandler Boulevard, North Hollywood, CA 91601.
- 8. Upon information and belief, Defendant Lotti is an individual residing in the state of California and within this judicial district at 1893 Sunset Plaza Drive, Los Angeles, CA 90069.

JURISDICTION AND VENUE

- 9. This Court has subject matter jurisdiction as this Complaint arises under the Lanham Act, including under 15 U.S.C. § 1121 and 1125, and under the Patent Act of the United States, including 35 U.S.C. § 292.
- 10. This Court has general personal jurisdiction over Defendants, who regularly do business in the State of California and in this District, and as to Defendant Lashify, because, on information and belief, Lashify has its principal place of business as well as other facilities in the State of California and in this District, and as to

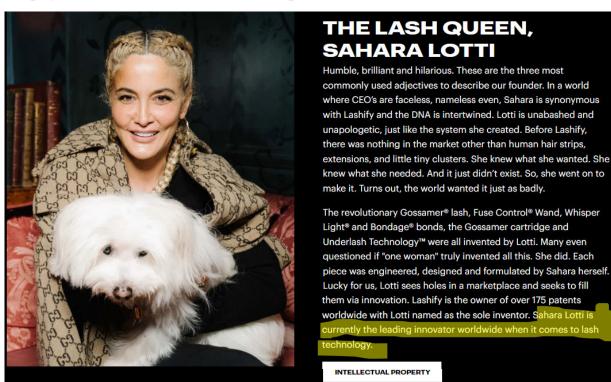
Defendant Lotti because, on information and belief, she controls the operations of Defendant Lashify in and from California and this District, and she resides in the State of California and in this District.

11. Venue is proper in this district under 28 U.S.C. § 1391(b) and 15 U.S.C. §§ 15 and 26.

ALLEGATIONS

Lashify and Lotti's Claims of Alleged "Inventorship"

- 12. Lashify and Lotti have, for years, traded on the reputation of being innovators, inventors, and as sophisticated, experienced participants in the invention and patenting process.
- 13. Like Urban Doll, Lashify and Lotti rely heavily on social media, as well as their website, to market and promote their products and to engage with consumers and potential consumers of eyelash products.
- 14. After referring to Lotti on Lashify's website as "the leading innovator worldwide when it comes to lash technology," Lashify provides a link to an entire web page dedicated to "Intellectual Property":



Martin Decl., Ex. A at 20; *id.* at 9 (highlighting added).

15. Elsewhere on Lashify's website, Lashify characterizes itself and Lotti as "THE MOTHER OF INVENTION" while claiming that their alleged "ingenuity" has

THE MOTHER OF INVENTION

It's ingenuity has garnered Lashify die-hard, loyal fans—'Lashifiends'—ranging from young and old, from ex-strip wearers or extension converts, to celebrity MUA's and celebrity themselves.

"garnered Lashify die-hard, loyal fans":

Martin Decl., Ex. A at 78.

- 16. Lashify has represented that its purported intellectual property portfolio, with Lotti as the inventor thereof, is "a testament to . . . the strength of its brand." *See Lashify, Inc. v. Urban Dollz LLC et al.*, Case No. 2:22-cv-06148 ("*Urban Doll*"), ECF No. 24 at ¶ 23 (C.D. Cal. Sept. 23, 2022).
- 17. Lashify has represented that its purported "innovation" and history of patenting its purported technology are central to its marketing and success, citing customer comments that the "Lashify system" is "the best invention since sliced bread," *see Urban Doll*, ECF No. 24 at ¶ 17, and noting that Lashify is a "market leader" "as a result of Ms. Lotti's . . . ingenuity." *See Urban Doll*, ECF No. 24 at ¶ 23.
- 18. On Lashify's website and in Lotti's social media posts, they claim to have invented such things as "the first DIY lash extension" and "Underlash Technology":

```
The Lashify system: aka the first DIY lash extension.
The Gossamer® lash. The Fuse Control® Wand.
The Underlash Technology™.
The cartridges. The methods.
The bonding techniques.
The patterns.
We did that.
```

Martin Decl., Ex. A at 9 (highlighting added).

28



1,818 1M 404
Posts Followers Following

Lashify®

Brand · Women-owned + 2 more

Mascara? Who me? Try @lashify's award-winning Underlash Technology™

- 185+ Global Patents
- Inventor of DIY Lash Extensions
- Follow to Learn Methods

Mosbacher Decl., Ex. B at 2 (highlighting added).

19. Lashify's website defines "Underlash Technology" as an "application technique" that it refers to as "[t]he revolutionary method of applying Gossamer lashes to the underside of the natural lashes."

UNDERLASH TECHNOLOGY™

Lashify application technique

The revolutionary method of applying Gossamer® lashes to the underside of the natural lashes.

Martin Decl., Ex. A at 7.

- 20. Upon information and belief, Lotti is the administrator of Lashify's website and/or controls or directs administration of the content of Lashify's website.
- 21. Lashify and Lotti even claim to be the inventor of the "worlds [sic] only" and the "worlds [sic] first DIY lash extension system."

Sahara Lotti

Founder/CEO and inventor of @lashify the worlds only DIY lash extension system. Creating a better reality through vision, innovation and disruption.

Mosbacher Decl., Ex. B at 1 (highlighting added).

10

9

11 12

13

14 15

16

17

18

19 20

21

22 23

24

26

25

27

28

Hi from Lashify. We invented the worlds first DIY lash extension system and in the chicest way possible.

Mosbacher Decl., Ex. D at 1 (highlighting added).

- Lashify and Lotti also have aggressively pursued litigation asserting their reputation as innovators and inventors.
- For example, in lawsuits that Lashify has instituted, it represented that Lotti "invented the most natural-looking false lash system in the industry." See Certain Artificial Eyelash Extension Systems, Products, & Components Thereof, ITC Investigation No. 337-TA-1226 ("1226 Investigation"), Complaint at 1 (Sept. 9, 2020) (EDIS Doc ID 719222); Lashify, Inc. v. Kiss Nail Products, Inc., Case No. 1:20-cv-10023 ("Kiss"), ECF No. 1 at ¶ 9 (D. N.J. Aug. 5, 2020); Lashify, Inc. v. Zeng et al., Case No. 3:20-cv-06086 ("Zeng"), ECF No. 1 at ¶ 11 (N.D. Cal. Aug. 28, 2020); Lashify, Inc. v. Qingdao LashBeauty Cosmetic Co., Ltd. d/b/a Worldbeauty, Case No. 6:22-cv-0077 ("LashBeauty"), ECF No. 1 at ¶ 29 (W.D. Tex. Jul. 12, 2022); Lashify, Inc. v. Qingdao Hollyren Cosmetics Co., Ltd. d/b/a Hollyren, Case No. 6:22-cv-00777 ("Hollyren"), ECF No. 1 at ¶ 34 (W.D. Tex. Jul. 12, 2022); Lashify, Inc. v. Urban Dollz LLC et al., Case No. 2:22-cv-06148 ("Urban Doll"), ECF No. 1 at ¶ 16 (C.D. Cal. Aug. 29, 2022).
- 24. Lashify and Lotti's inventorship claims are objective, quantifiable, and demonstrably false.
 - For example, neither Lashify nor Lotti invented DIY lash extensions. 25.
- 26. Do-it-yourself ("DIY") artificial eyelashes have been known since at least the 1930s.

9

10 11

12 13

14

15 16

17

18

19

20 21

22 23

24

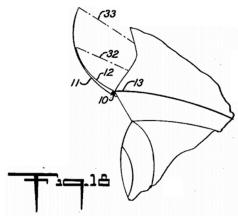
25 26

27

28

On November 17, 1931, Marjorie A. Birk received a patent for a technique that allowed artificial eyelashes to be "easily and successfully applied to the eyelashes by the owner of the latter, and, hence, the expense and time necessary in having them applied by a professional expert is avoided." U.S. Patent No. 1,831,801 to Birk at 78-84 (emphasis added).

- Ms. Birk's patent also discloses a technique for applying artificial evelashes to the "underside" of one's natural eyelashes using an adhesive. See U.S. Patent No. 1,831,801 to Birk at 62-73.
- 29. Another legitimate, prior inventor—Inga B. Meehan—obtained a patent in 1962 that discloses the application of artificial eyelashes "beneath the upper eyelid."



- U.S. Patent No. 3,032,042 to Meehan at 4:38-47; Fig. 18.
- Other patents from the same period before Lashify's existence disclose a similar technique for applying artificial eyelashes to the underside of one's natural lashes. See, e.g., U.S. Patent No. 3,833,007 to Jacobs at 3:40-45.
- 31. Thus, neither Lashify nor Lotti invented the application of artificial eyelashes underneath one's natural lashes; or as Lashify refers to it "Underlash Technology." See Martin Decl., Ex. A at 7.
- 32. To be sure, other at-home DIY'ers were publicly demonstrating on YouTube how to apply artificial eyelashes "underneath" their own natural eyelashes

at least as early as 2010—several years before Lashify and Lotti claim to have invented the first DIY lash extension.



https://www.youtube.com/watch?v=9X84CUIWqgo at 2:45-7:00 (Apr. 5, 2010); see also Martin Decl. at ¶ 3.

33. Bloggers were publicly demonstrating how to apply artificial eyelashes "underneath" their own natural eyelashes at least as early as 2011—also several years before Lashify and Lotti claim to have invented the first DIY lash extension.



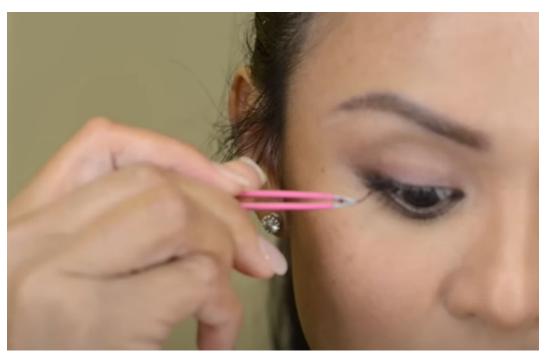
Martin Decl., Ex. B at 4; see also id. at ¶ 5.

34. Various YouTube personalities continued publicly demonstrating how to apply artificial eyelashes underneath their own natural eyelashes in the years

preceding Lashify and Lotti's alleged invention of "DIY lash extensions" and "Underlash Technology":



https://www.youtube.com/watch?v=faKvACCAvNU at 2:32-2:55 (Feb. 12, 2014); see also Martin Decl. at ¶ 6.



https://www.youtube.com/watch?v=comq0clt56o at 7:39-11:00 (Feb. 24, 2015); see *also* Martin Decl. at ¶ 7.



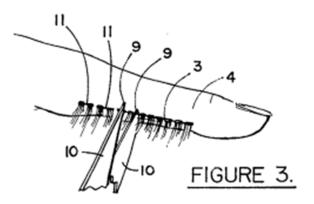
https://www.youtube.com/watch?v=AhJyTcClaMs at 4:30-4:40, 11:40-15:30 (Mar. 22, 2015); *see also* Martin Decl. at ¶ 8.

35. Prior to Lashify's alleged inventions, some of these same at-home DIY'ers were either cutting strip lashes into sections, or lash segments, or using premanufactured lash segments so they would be "easier to apply" and to provide a more natural look.

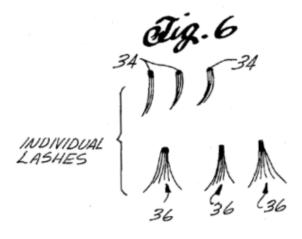


Martin Decl., Ex. B at 2; https://www.youtube.com/watch?v=faKvACCAvNU at 5:13-5:19; see also Martin Decl. at ¶ 5.

- 36. The concept of cutting strip lashes into lash segments has been around since at least the 1970s.
- 37. On August 19, 1975, George Masters obtained a patent that discloses how to cut a strip lash into lash segments to create "a more beautiful, natural looking appearance."



- U.S. Patent No. 3,900,038 to Masters at 2:5-13; id. at Fig. 3.
- 38. Lash segments continued to be disclosed in patents into the 1980s for the purpose of overcoming the weight of strip lashes.
- 39. On November 10, 1981, Sunjeen Choe received a patent that disclosed a method of heat fusing individual lashes together to form lash segments with a base that was less bulky than a knotted base:

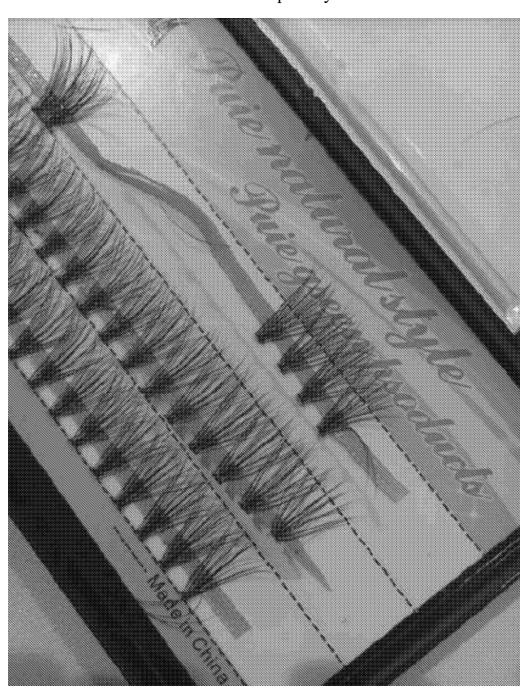


U.S. Patent No. 4,299,242 to Choe at 1:41-59, 2:3-11, 3:65-75; id. at Fig. 6.

- 40. Incredibly, Lotti has claimed on social media that "[a]ll the other copycats in litigation were unable to find ANYTHING in the world that was remotely close to the Lashify system.... ZERO. ZILCH." Martin Decl., Ex. C at 2.
 - This claim is false.
- 42. Not only are all the foregoing patents, blog posts, and YouTube videos publicly available, they were specifically identified to Lashify at least as early as March 29, 2021, during Lashify's litigation at the ITC. See, e.g., 1226 Investigation, Respondents KISS Nail Products, Inc., Ulta Salon, Cosmetics & Fragrance, Inc., Walmart, Inc., and CVS Pharmacy, Inc.'s Notice of Prior Art at 1, 12 (Mar. 29, 2021) (EDIS Doc ID 738266).
- 43. Yet, when it comes to Lotti's claim that she "protected every element of the worlds [sic] only DIY lash extension system" on the current version of Lashify's website, Lotti claims that "ignorance is no excuse." Martin Decl., Ex. A at 20.
- 44. Lashify and Lotti also know that they did not invent what is claimed in certain of their patents.
- 45. For example, Claim 1 of U.S. Patent No. 11,219,260 to Lotti (the "'260 Patent") recites the following:
 - 1. An artificial lash extension system comprising:
 - a plurality of lash extensions, each of the plurality of lash extensions comprising:
 - a plurality of clusters of artificial hairs, each of the plurality of clusters comprising at least two artificial hairs; and
 - a base, wherein the plurality of clusters are attached to the base by at least an application of heat, wherein the at least two artificial hairs of each of the plurality of clusters protrude from the base, wherein at least some of the artificial hairs of at least one of the plurality of clusters are coupled to one another at a respective part of the base, and wherein the base is designed to at least attach the lash extension to an underside of natural lashes.

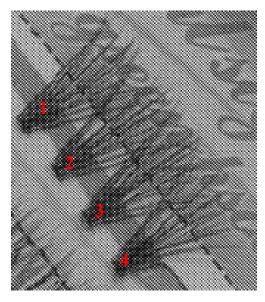
Martin Decl., Ex. D at 9:5-19.

46. A prior art artificial eyelash (hereinafter "PUIE") that satisfies each and every one of these claim limitations is depicted on the cover of the provisional patent application to which the '260 Patent claims priority:



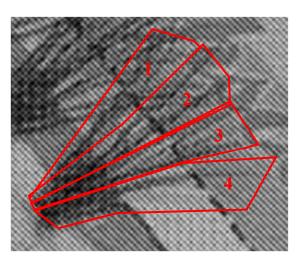
Martin Decl., Ex. E at 12; see also 1226 Investigation, Motion for Summary Determination of No Lack of Written Description or Enablement, and Entitlement to 47. Lotti purchased the PUIE eyelashes from Amazon.com before filing the provisional patent application to which the '260 Patent claims priority. *See, e.g.*, 1226 Investigation, Trial Transcript at 407:11-20 (Lashify's technical expert confirming his testimony that "Ms. Lotti actually bought hot melt PUIE eyelash clusters from Amazon before the '984 patent was filed.").

48. The PUIE eyelashes comprise "a plurality of lash extensions," as recited in Claim 1 of the '260 Patent:



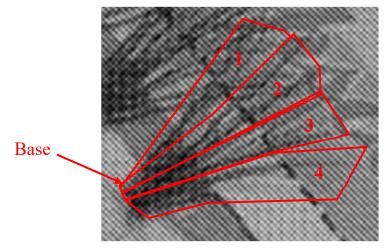
49. Martin Decl., Ex. E at 12 (cropped; annotations added).

50. Each of the "plurality of lash extensions" of the PUIE eyelashes comprises "a plurality of clusters," each of which need only comprise "at least two artificial hairs," as recited in Claim 1 of the '260 Patent:



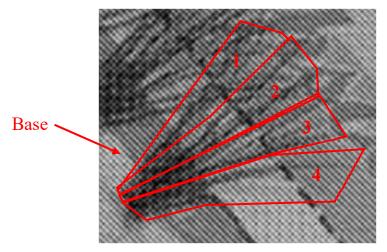
Martin Decl., Ex. E at 12 (cropped; annotations added).

- Each of the "plurality of clusters" of the PUIE eyelashes is "attached to 51. the base by at least an application of heat," consistent with what Lashify explained to the ITC in the 1226 Investigation. See 1226 Investigation, Lashify MSD at 17 ("[T]he Puie Lash is ... heat fused at the base."); id. at 18 ("[T]he fibers of the Puie Lash have roots that are embedded in the heat fused base of the cluster."); id. ("[T]he fibers of the Puie Lash were heated at the ends....").
- 52. Each of the "plurality of clusters" of the PUIE eyelashes comprises "at least two artificial hairs [that] protrude from the base," as recited in Claim 1 of the '260 Patent:



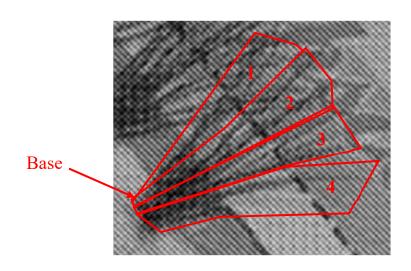
Martin Decl., Ex. E at 12 (cropped; annotations added).

"[A]t least some of the artificial hairs of at least one of the plurality of clusters" of the PUIE eyelashes "are coupled to one another at a respective part of the base," as recited in Claim 1 of the '260 Patent:



Martin Decl., Ex. E at 12 (cropped; annotations added); see also 1226 Investigation, Lashify MSD at 17 ("[T]he Puie Lash is ... heat fused at the base."); id. at 18 ("[T]he fibers of the Puie Lash have roots that are embedded in the heat fused base of the cluster."); id. ("[T]he fibers of the Puie Lash were heated at the ends....").

54. And the "base" of the PUIE eyelashes are designed to at least attach the lash extension to an underside of natural lashes," as recited in Claim 1 of the '260 Patent.

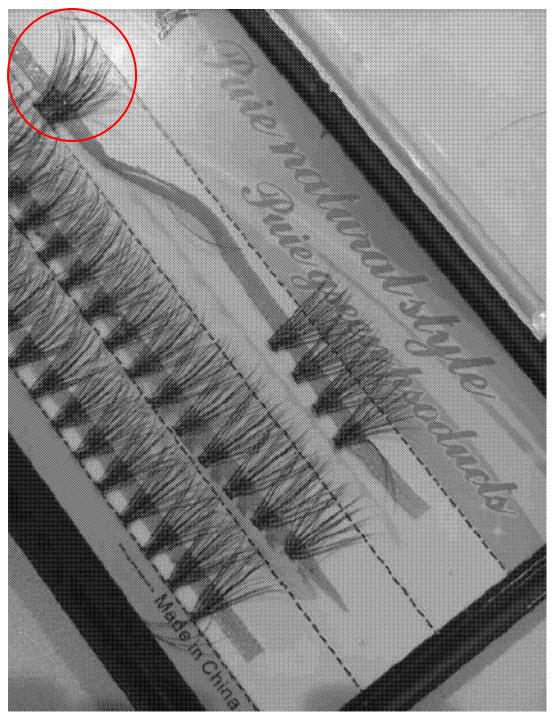


55. To be sure, Lotti posted a video on Instagram depicting PUIE eyelashes and proclaiming that "what you see here is ... the worlds [sic] first underlash aka Gossamer lashes I made using PBT and my iron."



Martin Decl., Ex. F at 2; Martin Decl. at ¶ 13; see also 1226 Investigation, Trial Transcript at 407:11-20 (Lashify's technical expert confirming his testimony that "I understand that the PUIE product was made from PBT, and Ms. Lotti used PUIE to make her first embodiments of the claimed invention.").

56. Upon information and belief, one of the eyelash extensions depicted in the image in the preceding paragraph also is depicted in Figure 1 of the provisional patent application to which the '260 Patent claims priority:



Martin Decl., Ex. E at 12 (annotation added).

- 57. Thus, Lashify and Lotti know, and have known, they did not invent the subject matter of at least Claim 1 of the '260 Patent.
- 58. Nevertheless, Lashify and Lotti are asserting Claim 1 of the '260 Patent against no fewer than three different competitors in patent infringement suits currently pending in U.S. District Courts, including a suit currently pending against Urban Doll. *See LashBeauty*, ECF No. 1 at ¶ 53; *Hollyren*, ECF No. 1 at ¶ 58; *Urban Doll*, ECF No. 1 at ¶ 62.
- 59. Lotti has repeatedly referred to these litigations and Lashify and Lotti's purported patents in social media posts to further their goal of intimidating competitors and customers and convincing customers not to buy competitors' products.



You may have noticed a major influx of knock offs in the marketplace...... that's called unloading inventory. The ITC has pushed back it's decision now to August 31..... we think (and they likely might think) it's because they are going to give Lashify an exclusion order (this means block them at customs). In addition we have initiated two law suits in Texas against the main two counterfeit factories- Hollyren and World Beauty. One of the factory owners I've known since 2018, Helen, attempted to negotiate with me last week or so. We spoke late at night - I considered it for half a second and then I saw the extent of what they were doing..... using Google ad words to promote "diy lash extensions" manufacturers— I decided OH HELL NAW there is no room for negotiation. Screw me once... shame on you. Screw me twice... shame on me.

Martin Decl., Ex. G at 1 (highlighting added).

Bottom line — if we don't get them in the ITC, we'll get them in Texas If we don't get them in Texas, we'll get them in China. But trust me when I tell you...we will get them. Shakespeare has a saying about us broads......he might be onto something.

Id. (highlighting added).

Here's the thing, anyone that copies our product, or induces infringement, promotes stealing from us or tries to do monetary damage to our company, will also get caught up in what's going to be a very big lawsuit. It's clear that lashify owns patents. Once you're aware of that there's no way around it.

Martin Decl., Ex. H at 1 (highlighting added).

Lashify and Lotti's False "Patented" Claims

- 60. Consistent with Lashify and Lotti's misrepresentations to their customers that they invented certain technologies when they did not, Lashify and Lotti also have misrepresented to the marketplace, their customers, and Plaintiff's potential customers that Lashify has patents when it did not.
- 61. On information and belief, Lashify and Lotti are well aware of the patent prosecution process, including what it means for a product to be "patented."
- 62. Lashify and Lotti claim to have "protected *every element* of the worlds [sic] only DIY lash extension system" with patents. Martin Decl., Ex. A at 20; *see also* Martin Decl., Ex. H at 1 ("It's clear that lashify owns patents. Once you're aware of that there's no way around it.").
- 63. For years, Lashify and Lotti have advertised, and continue to advertise, that their purported products are "patented" on a near-daily basis, if not even more frequently, including via social media posts and comments.
- 64. For example, on December 1, 2017, Lashify represented to the public on social media that its artificial eyelash applicator (*i.e.*, its "Fuse Control Wand") was "Patented":



lashify → Wooot!! Testing out our latest lash styles at Lashify HQ on Alison ★ ★ Our Gossamer lashes live inside the Eye Lozenge that's shaped to your eye. Our Patented Fuse Control Wand wraps around and has a horizontal clamp force that pulls out the Gossamers. Just Blink and Fuse! It's so easy to do it's hard to explain! ❤ ★ #lashify #controlkit

28

Mosbacher Decl., Ex. C at 1 (highlighting added).

- 65. Neither Lashify nor Lotti received a U.S. patent with claims directed to an artificial eyelash applicator until March 27, 2018—nearly four months after Lashify represented to the public that it was "Patented." See U.S. Design Patent No. D814,107 to Lotti.
- 66. On December 6, 2017, Lashify represented to the public on social media that its artificial eyelash container (i.e., its "Lash Lozenge") was "Patented":



lashify These are our Gossamer Lashes! They live inside our patented Lash Lozenge which protects them from damage so that you can apply hundred of silk lashes yourself in just seconds. You're welcome.

Mosbacher Decl., Ex. C at 2 (highlighting added).

67. On March 1, 2018, Lashify represented to the public on social media that its artificial eyelash container (i.e., its "Lash Cartridge") was "Patented":



Mosbacher Decl., Ex. C at 3 (highlighting added).

- 68. Neither Lashify nor Lotti received a U.S. patent with claims directed to an artificial eyelash container until November 19, 2019—more than a year-and-a-half after Lashify represented to the public that it was "Patented." See U.S. Design Patent No. D867,668 to Lotti.
- 69. On January 29, 2019, Lashify represented to the public on social media that the "Lashify System" was "patented":



lashify 🧼 🔳 "Bottom line: these lashes are game-changing." -Elle.com ■ Harpers Bazaar Editors Pick - Glamour Best Beauty Product of 2019 ■ Featured in Harpers Bazaar, Elle, Into the Gloss, The Cut, Byrdie, US Weekly, Popcandy etc --go to Lashify.com for more info!

Finally DIY lash extension technology that actually works! No damage. No strips. Most innovative beauty product of the decade! Watch our founder @saharalotti use the patented Lashify ® system! Our Gossamer lashes are so light they literally stick to your lashes and melt within your lash line.

Mosbacher Decl., Ex. C at 4 (highlighting added).

- 70. Neither Lashify nor Lotti received a U.S. patent with claims directed to a "system" until of November 16, 2021—nearly two years after Lashify first represented to the public that there was a "patented Lashify system." *See* U.S. Patent No. 11,172,749 to Lotti.
- 71. On March 12, 2018, Lashify represented to the public on social media that its "Gossamer" artificial eyelash was "Patented":



lashify ...Simply nothing in this world that can even slightly compare to our silk #GossamerLashes. Premiere. Patented. Perfection. We are the ONLY Gossamer manufacturer in the world because we invented them! ★ ★ ★ ★ Obsessed? Join "lashify groupies" on Facebook to find like minds ...

Mosbacher Decl., Ex. C at 5 (highlighting added).

72. On March 18, 2018, Lashify represented to the public on social media that its "B16" artificial eyelash was "a brand new *patented* technology":



lashify B16. B is for bold....16 as in millimeters.... #Lashify is a brand new patented technology....You've truly never seen anything like this. We haven't paid any influencers. We haven't sent free product in exchange for reviews. Why? Because we believe our product speaks for itself. (Join Lashify Groupies on Facebook to obsess on the obsession!) #keepingitreal #lashifylife #gossamerlashes

Mosbacher Decl., Ex. C at 6 (highlighting added).

73. Neither Lashify nor Lotti received a U.S. patent directed to an artificial eyelash until May 26, 2020—more than two years after Lashify first represented to the public that it was "Patented."

74. At least as early as August 10, 2020, Lashify represented to the public on its own website that the "Charcoflex formula" of its artificial eyelash bond was "patented":

Our patented Charcoflex® formula is designed to withstand heat, bacteria, and absorb excess moisture. Contains biotin to nourish the natural lashes while wearing our Gossamers for multiple days.

Martin Decl., Ex. I at 1 (highlighting added).

- 75. Neither Lashify nor Lotti received a patent directed to the formula of its artificial eyelash bond until October 11, 2022—more than two years after Lashify first represented to the public that it was "Patented."
- 76. All the advertising statements referenced above are *false*, as pertinent patents had not yet issued at the time Lashify and Lotti were advertising that such products were "patented."
- 77. But, even beyond the demonstrable falsity of these statements based on timing, they are also false because the products and technology they describe do not practice any issued patent.
- 78. Upon information and belief, Lashify's artificial eyelashes identified in the advertising above were not "patented" despite Lashify and/or Lotti's ownership of patents covering different artificial eyelash inventions.
- 79. The first two patents received by Lashify and Lotti that were directed to artificial eyelashes were U.S. Patent No. 10,660,388 (the "'388 Patent") and U.S. Patent No. 10,721,984 (the "'984 Patent").
 - 80. The '388 Patent issued on May 26, 2020.
 - 81. The '984 Patent issued on July 28, 2020.

7

13

12

15

14

16 17

18 19

20

21

22

23 24

25

26

27 28

- 82. Lashify and Lotti did not receive another patent directed to artificial eyelashes until January 11, 2022—nearly four years after Lashify first represented to customers that its artificial eyelashes were "Patented." See supra ¶ 71.
- 83. On June 9, 2021, the Chief Administrative Law Judge ("CALJ") at the U.S. International Trade Commission ("ITC") determined that Lashify's "Gossamer" artificial eyelashes do not practice the '388 Patent. See 1226 Investigation, Order No. 35 at 9 (Jun. 9, 2021) (EDIS Doc ID 745429).
- 84. Lashify did not petition for review of the CALJ's finding that its "Gossamer" artificial eyelashes do *not* practice the '388 Patent.
- 85. On October 6, 2021, the ITC determined that Lashify's "Gossamer" artificial eyelashes also do not practice the '984 Patent. See 1226 Investigation, Commission Opinion at 21, 29 (Oct. 6, 2021) (EDIS Doc ID 782895).
- 86. Thus, because Lashify owned no other patents claiming an artificial eyelash until January 11, 2022, Lashify's "Gossamer" artificial eyelashes could not have practiced any patent received by Lashify or Lotti at least until January 11, 2022—nearly four years after Lashify first represented to customers that its artificial eyelashes were "Patented." See supra ¶ 71.
- 87. Lashify and Lotti's advertising practices are particularly deceptive, as they purport to educate consumers about patents and intellectual property, and then mislead those same consumers about Lashify and Lotti's rights.

Lashify and Lotti's Weaponization of Inventorship Principles

- 88. Lashify and Lotti have built their business reputation, and their purported commercial success, on promoting themselves as prolific, sophisticated inventors and enforcers of intellectual property rights.
- 89. Lashify and Lotti have touted their purported status as "innovators" and "inventors" as critical to their success, and thus material to consumers' decision to purchase their products. See Martin Decl., Ex. A at 78 ("It's ingenuity has garnered Lashify die-hard, loyal fans – 'Lashfiends' – ranging from young and old, from ex-

20

21

22

23

24

25

26

27

28

strip wearers or extension converts, to celebrity MUA's and celebrity [sic] themselves."); Martin Dec., Ex. A at 19 ("Much more than just an award-winning brand, Lashify *is known for* its disruption and innovation – holding over 185 patents and 167 trademarks worldwide.") (emphasis added).

- 90. Lashify and Lotti have prominently positioned themselves as aggressive enforcers of what they purport to be legitimate patent rights, filing numerous intellectual property enforcement actions in United States courts and before the U.S. International Trade Commission.
- 91. Lashify's website page featuring its purported intellectual property even includes a dedicated button for site visitors to "REPORT COPYCATS."

REPORT COPYCATS

Martin Decl., Ex. A at 9.

- 92. In the numerous complaints Lashify has filed against its competitors, it has repeatedly labeled its competitors as "copycats." See 1226 Investigation, Complaint at ¶¶ 1, 16, 288; Kiss, ECF No. 1 at ¶¶ 2, 20, 25, 31; Zeng, ECF No. 1 at ¶ 11; LashBeauty, ECF No. 1 at ¶ 29; Hollyren, ECF No. 1 at ¶ 47.
- 93. Lashify also has repeatedly and unfairly accused Plaintiff of being a "copycat." Urban Doll, ECF No. 1 at ¶¶ 2, 34, 40, 43, 111, 113, 169, 171.
- 94. A cursory visual inspection of Plaintiff's artificial eyelashes and Lashify's artificial eyelashes demonstrates that Plaintiff's artificial eyelashes are *not* copies of Lashify's artificial eyelashes.



Lashify's Artificial Eyelashes



Plaintiff's Artificial Eyelashes

10 11

12

13 14

16

17

15

18

19

20

22

21

23 24

25 26

27 28 Martin Decl. at ¶¶ 15, 16.

- 95. As depicted in the two images in the preceding paragraph, Plaintiff's products have more density of fibers, are clustered differently, and have different shaped bases from Lashify's products.
- 96. Lashify, Lotti, and, on information belief, their agents regularly and aggressively comment on third-party social media pages and accounts to characterize competitors as infringers, copycats, and counterfeiters.
- 97. To the contrary, as plead herein, Lashify and Lotti have improperly and knowingly falsified, exaggerated, misstated, and misused purported intellectual property rights as a means of curtailing innovation and impeding lawful market entry and competition, including as it relates to Urban Dollz.
- 98. Lashify has even gone so far as to claim that it is the only entity who may use, in advertising, the concept of innovation itself, proposing to sue Urban Doll for even "suggesting that [someone other than Lashify is] an innovator when it comes to [lash] products." See Lashify v. Urban Dollz et al, ECF No. 052-4 at ₱ 80. This is entirely baseless.

Lashify and Lotti's Pervasive False Advertising

- 99. Lashify's false representations about its inventorship, intellectual property prowess, and the "patented" nature of its offerings has been accepted as true and proliferated by relevant consumers, creating a landscape that is prohibitive of competition and new market entrants like Urban Doll.
- 100. Lashify and Lotti have built falsely a reputation of legitimate intellectual property rights in the eyes of relevant consumers, and competitors like Urban Doll are harmed and baselessly tagged as frauds and copycats.
- 101. Indeed, not only have Lashify and Lotti attacked second comers as copycats and infringers, but consumers who have internalized Lashify and Lotti's false messaging are primed to immediately dismiss competitors as uncreative wrongdoers.

9

8

11 12

10

13 14

15 16

17 18

19 20

21 22

23 24

25 26

27 28

102. Based on Lashify and Lotti's false representations consumers take as true that Lashify and Lotti are "creative and invent their own products," that their offerings are "true tested and patent protected", and that Urban Doll is "copying" defendants and should "go up in [flames] in court":

This is so cringe and infuriating. People can't just be creative and invent their own products!? As if consumers are dumb and can't figure out whose out here copying and trying to monopolize on the momentum of the true tested and patent protected ideas! Doll House about to go up in 🤚 s in court! BUBYE!

Martin Decl., Ex. J at 6.

- 103. The United States legal system, not Lashify's customers, is tasked with "figur[ing] out who [is] out here copying." Martin Decl., Ex. J at 6.
- 104. Instead of relying on legitimate intellectual property claims, Lashify and Lotti have instead weaponized relevant consumers through years of falsely claiming their technology is proprietary and "patented" when it is not, creating an air of false legitimacy that permeates its entire business model.
- 105. Lashify and Lotti should not be permitted to falsely and improperly impede lawful competition through false advertising.

Count I – False Advertising Under 15 U.S.C. § 1125(a)(1)(B)

- 106. Urban Doll repeats and realleges the foregoing allegations as if fully set forth herein.
- 107. Defendants have committed acts of false advertising by their dissemination of false and misleading advertising claims, including as alleged above.
- 108. Defendants have repeatedly made false statements in advertisements that it is the "inventor" of products and technology that have been well-known and practiced in prior art for years, if not nearly a century.
- 109. Defendants have continued to make these false statements even after being made aware of and having actual knowledge of such long-standing, earlier published patents, YouTube videos, and other publications. See supra ¶ 42.
- 110. The claims cited in this Complaint, and all similar claims that Lashify and/or Lotti are the inventors of long-known products and technology are false.

10

13

14

15 16

17 18

20

21

19

22 23

24 25

26

27 28

- 111. Defendants' false statements are admittedly a central element of their business and purported success, are deceptive, have a tendency to deceive a substantial segment of Defendants' audience as well as the marketplace and Plaintiff's potential customers, and/or, on information and belief, have actually deceived the market, including both Plaintiff's potential customers and Defendants' customers.
- 112. Defendants have prominently, repeatedly, and continuously emphasized the importance of innovation and inventorship as part of the value proposition for lash products and other cosmetics, admitting and trading on the position that these concepts are material to relevant consumers' purchasing decisions.
- 113. Defendants' deception is likely to impact purchasing decisions and is therefore material.
- 114. Defendants have offered and/or sold their falsely advertised goods in interstate commerce.
- 115. Urban Doll has been, continues to be, and is likely to be injured as a result of Defendants' false advertising, as such wrongful conduct—which, in many cases, takes the form of direct accusations by Defendants or, on information and belief, their agents that Urban Doll is not innovative, is an infringer, is a "dupe" or "copycat" results in diverted sales and harm to Urban Doll's goodwill, including its goodwill as an innovator in its own right.
- 116. Lashify and Lotti are well aware of the requirements for truthful marketing relating to patents, noting in a public social media post on May 12, 2020 that "[f]alsely claiming patents or patents pending is illegal and false marketing." Mosbacher Dec., Ex. A at 1.
- 117. Defendants have repeatedly made false statements in advertisements that its advertised products were "patented" when no such patents had issued, or in some cases, when patent applications had not been filed.
- 118. For example, Defendants have made numerous statements on their website, via social media, and in other advertising that their offerings are "patented,"

6

13 14

12

15 16

17 18

19 20

22

21

23 24

26

25

27 28 when in fact at the time of the statements such offerings were not "patented," including but not limited to the numerous references cited in this Complaint.

- 119. The offerings touted in Defendants' challenged advertising could not possibly have been "patented" as of the dates such statements were made, as pertinent patents had not been granted and, in some cases, not even applied for.
- 120. The claims cited in this Complaint, and all similar claims that unpatented and/or unpatentable products and offerings are "patented," were false when made and, upon information and belief, are still false.
- 121. Moreover, Defendants' claims that their purported technology is "patented" remains false to this day, for reasons including that their purported patents do not cover the products touted in their advertisements and/or because their statements as to what they have "patented" knowingly ignores prior art inventions, patents, and publications disclosing that same subject matter years, and in some cases decades, prior to Lashify and Lotti.
- 122. Defendants' false statements, part and parcel of their companywide efforts to favorably position themselves and their brand as innovators, inventors, and owners of valid patent rights, are deceptive, have a tendency to deceive a substantial segment of Defendants' audience, the marketplace, and Plaintiff's potential customers, and/or, on information and belief, have actually deceived Defendants' consumers, the marketplace, and Plaintiff's potential customers.
- 123. Urban Doll has been, continues to be, and is likely to be injured as a result of Defendants' false advertising.

Count II – False Patent Marking Under 35 U.S.C. § 292

- 124. Urban Doll repeats and realleges the foregoing allegations as if fully set forth herein.
- 125. Defendants have used, in advertising, the word "patented" in connection with unpatented articles, for the purpose of representing to the public that such articles are subject to patent protection.

126. Defendants hold themselves out as sophisticated innovators with deep

investment."). 127. Defendants could not have reasonably or objectively believed that their products were "patented" when no patents had issued yet with claims directed to those products.

128. Defendants also cannot reasonably or objectively believe that their "Gossamer" artificial eyelashes are "patented" under the '388 Patent because the CALJ at the ITC determined that those artificial eyelashes do *not* practice the '388 Patent, and Defendants did not seek review of or otherwise challenge that determination. See 1226 Investigation, Order No. 35 at 9 (Jun. 9, 2021) (EDIS Doc ID 745429).

129. Yet, the '388 Patent is still listed prominently on Lashify's "Intellectual Property" web page:

US Patent 10,660,388 - Artificial Lash Extensions

18

19

20

21

22

23

24

25

26

27

Martin Decl., Ex. A at 9.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

130. The '388 Patent also remains included among a list of patents under a "Patented Protected" logo on the web pages for Lashify's "Control Kit," which



contains "Gossamer" eyelashes.

Martin Decl., Ex. M; see also Martin Decl. at ¶¶ 27-28.

131. Lashify also associates the '388 Patent with at least 29 of its other artificial eyelashes on the web pages for those products—specifically, the "Extra Extreme Gossamer Lashes," "Gemini Gossamer Lashes," "Drama Plus+ Gossamer Lashes," "Drama Gossamer Lashes," "Starburst Gossamer Lashes," "Amplify Gossamer Lashes," "Amplify Ginger Gossamer Lashes," "Fluffy FX Lashes," "Extreme Ice Gossamer Lashes," "Amplify Truffle Gossamer Lashes," "Amplify Ash Gossamer Lashes," "Curl Silver Gossamer Lashes," "Amplify Teal Gossamer Lashes," "Curl Lavender Gossamer Lashes," "Amplify Dark Brown Gossamer Lashes," "Curl Ping Gossamer Lashes," "Plushy Gossamer Lashes," "Fluffy Gossamer Lashes," "Amplify Violet Gossamer Lashes," "Plushy Tame Gossamer Lashes," "Amplify Minx Gossamer Lashes," "Extreme Gossamer Lashes," "Bold Gossamer Lashes," "The Inner Corner Gossamer," "Bold Plus+ Gossamer Lashes," "Curl Gossamer Lashes," "Amplify Royal Kim Blue Gossamer Lashes," and "Amplify Plus+ Gossamer Lashes." See Martin Decl. at ¶¶ 29-57.

13

15

14

16

17

18 19

20

22

21

23 24

25 26

27

28

- 132. Defendants' challenged statements that their products are "patented," and any similar statement by Defendants that unpatented articles are patented, were false when made and, upon information and belief, are still false.
- 133. Defendants made such representations (i.e., that their products were "patented" when they were not) with the specific intent to deceive potential customers into believing Defendants were innovators and that competitors were unlawfully copying Defendants.
- 134. Defendants sought to deceive potential customers into believing Defendants were innovators and that competitors were so-called "copycats" with the express purpose of driving sales away from those competitors to Defendants, including away from Plaintiff.
- 135. Defendants' customers believe and rely on Defendants' representations when deciding what products to purchase:

I can not believe the amount of copycats out there I have been following and using your brand since the beginning (soft launch beginning lol) and refuse to try anything else because it's a cheap imitation. I tell people all the time you get what you pay for.

Martin Decl., Ex. K at 4.

I would NEVER buy a knock-off brand. Lashify for Lifer here! Martin Decl., Ex. L at 4.

136. Defendants' false representations that their products were "patented" when they were not is part of Defendants' plan to use intellectual property to "corner the market" by giving the misleading appearance that they "own all the IP." Martin Decl., Ex. H at 1 ("I knew that if I could create this market and own all the IP, I could corner the market and make massive change.") (emphasis added); see also id. at 1 ("It's clear that lashify owns patents. Once you're aware of that there's no way around it.") (emphasis added); Martin Decl., Ex. B at 20 (Lotti claiming "I have

4 5

6

7 8

9

11

12

10

13

14 15

16 17

18

19 20

22

21

23 24

25

26

27 28 protected every element of the worlds [sic] only DIY lash extension system.") (emphasis added).

- 137. Defendants were successful in driving sales away from competitors to Defendants based on their false representations, including from Plaintiff.
- 138. Urban Doll has therefore suffered competitive injury as a result of Defendants' false patent marking.

PRAYER FOR RELIEF

WHEREFORE, Urban Doll prays for the following relief:

- A determination and declaration that Defendants have violated and are in violation of the Lanham Act, including 15 U.S.C. § 1125;
- A determination and declaration that Defendants have violated and are 2) in violation of the Patent Act, including 35 U.S.C. § 292;
- 3) A determination and declaration that Defendants have committed and are committing false advertising and false patent marking under all causes of action asserted in this lawsuit based on this Complaint;
- That judgment be entered in favor of Plaintiff and as against Defendants for false advertising and false patent marking under all causes of action in the lawsuit based on this Complaint;
- A determination and declaration that Defendants are jointly and 5) severally liable under all causes of action in this lawsuit;
- An order preliminarily, and a judgment permanently, enjoining and 6) restraining Defendants, their officers, agents, affiliates, board of directors, subsidiaries, servants, partners, employees, attorneys, majority and controlling shareholders, and all others in active concert or participation with any Defendants, from:
- engaging in false advertising under the Lanham Act, including by a) making false statements about inventorship and/or "patented" technology and/or accusing Plaintiff of being a copycat, dupe, or infringer (or the like);

27

28

- engaging in false patent marking under 35 U.S.C. § 292; and b)
- assisting, aiding, encouraging, or abetting any other person or c) business entity in engaging in or performing any of the aforementioned activities.
- An order preliminarily and a judgment permanently ordering that 7) Defendants issue appropriate retractions, and corrective statements, and delete all false, misleading, and illegal social media postings, comments, and publications complained of in this matter;
- A judgment awarding Plaintiff all compensatory damages under all causes of action in this lawsuit, including requiring that Defendants pay Urban Doll all of its damages caused by Defendants' unlawful acts and damages adequate to compensate Urban Doll for Defendants' unlawful acts, with pre-judgment and postjudgment interest, as well as post-trial damages for any ongoing unlawful acts;
- A judgment requiring that Defendants account for all profits derived 9) from their wrongful acts and disgorge and pay them and all other unjust enrichment to Urban Doll:
- 10) A judgment ordering Defendants to pay exemplary, extraordinary, punitive, and statutory damages for their intentional acts of false advertising and false patent marking;
- 11) A judgment and declaration that this case is exceptional and awarding Plaintiff its reasonable attorneys' fees, costs, disbursements, and pre- and postjudgment interest, as provided by law;
- 12) A judgment that each of Defendants are jointly and severally liable for the acts complained of herein; and
- 13) An award to Plaintiff of such other relief as the Court deems proper and just under the circumstances.

Dated: February 24, 2023 By: /s/ Peter H. Kang Peter H. Kang (Bar No. 158101)

COMPLAINT; CASE No. 2:23-cv-1427

Case 2:23-cv-01427-GW-AFM Document 1 Filed 02/24/23 Page 36 of 37 Page ID #:36

JURY TRIAL DEMAND Plaintiff hereby demands a trial by jury pursuant to Fed. R. Civ. P. 38. Dated: February 24, 2023 By: /s/ Peter H. Kang Peter H. Kang (Bar No. 158101) <peter.kang@bakerbotts.com> Cheryl A. Cauley (Bar No. 252262) <cheryl.cauley@bakerbotts.com> BAKER BOTTS L.L.P. 1001 Page Mill Road Building One, Suite 200 Palo Alto, California 94304 Telephone: (650) 739-7500 Facsimile: (650) 739-7699 Theodore W. Chandler (Bar No. 219456) <ted.chandler@bakerbotts.com> BAKER BOTTS L.L.P. 1801 Century Park East, Suite 2400 Los Angeles, California 90067 Telephone: (213) 202-5702 Facsimile: (213) 202-5732 Attorneys for Plaintiff Urban Dollz LLC d/b/a Urban Doll

COMPLAINT; CASE No. 2:23-cv-1427