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° 9	UNITED STATES DISTRICT COURT			
9 10	CENTRAL DISTRIC	CT OF CAL	IFORNIA	
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11	COVVES, LLC,		o. 2:23-cv-00640	
12	Plaintiff,	COMP. PATEN	LAINT FOR DES TINFRINGEM	SIGN ENT
14 15	TARGET CORPORATION and TARGET BRANDS, INC.,	Deman	d for Jury Trial	
15	Defendants.			
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10	Plaintiff Covves, LLC ("Covves"),	for its Com	plaint against Tar	get
20	Corporation and Target Brands, Inc., state			0
20		Parties 8		
22	1. Covves is a limited liability		ganized and existi	ng under the
23	laws of the State of California, located at		•	C
24	90505.			
25	2. Target Corporation is a corp	oration orga	nized and existing	g under the
26	laws of Minnesota with an address of 100	-	-	-
27	3. Target Brands, Inc. is a corp		-	
28	laws of Minnesota with an address of 100	-	-	-

1	Target Corporation and Target Brands, Inc. are referred to collectively as "Target."
2	Nature of the Action
3	4. This is an action at law and in equity for design patent infringement
4	under the Patent Act, 35 U.S.C. § 101 et seq.
5	5. This action arises by reason of Target's willful and unauthorized
6	copying of Covves' design patents for unicorn-shaped inflatable toys. Covves seeks
7	recovery of Target's total profits from infringing sales and additional relief as set
8	forth below.
9	Jurisdiction and Venue
10	6. This Court has exclusive subject matter jurisdiction over these claims
11	pursuant to 28 U.S.C. §§ 1331 and 1338.
12	7. This Court has personal jurisdiction over Target because it does
13	substantial business and sales in this District and advertised, distributed, offered for
14	sale, and sold products that infringe Covves' patents in this District. Target
15	committed tortious acts against Covves in this District, where Covves' principle
16	place of business is located.
17	8. Venue for this action is proper in the Central District of California
18	pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1400(b).
19	9. Specifically, venue is proper over Target under 28 U.S.C. § 1400(b)
20	because it committed acts of infringement and has regular and established places of
21	business in this District, including operating at least three Target distribution
22	centers in this District, as well as operating numerous Target store locations in this
23	District, including but not limited to stores at: (a) 3535 S. La Cienega Blvd., Los
24	Angeles, CA 90016; (b) 735 S. Figueroa St., Los Angeles, CA 90017; (c) 8480
25	Beverly Blvd. Ste. 1A, Los Angeles, CA 90048; (d) 3131 S. Hoover St. #1910, Los
26	Angeles, CA 90089; (e) 3471 W. Century Blvd., Inglewood, CA 90305; and (f)
27	6000 Sepulveda Blvd., Ste 2250, Culver City, CA 90230.
28	///

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1	<u>Patents-in-Suit</u>
2	10. Covves owns two design patents that are at issue in this case, both of
3	which relate to unicorn-shaped inflatables—one for a pool float and one for an
4	inflatable drink holder.
5	11. The U.S. Patent & Trademark Office ("USPTO") issued U.S. Patent
6	No. D787,617 (the "'617 patent"), titled "Inflatable Toy," on May 23, 2017, from
7	an application dated August 24, 2015.
8	12. The USPTO issued U.S. Patent No. D783,370 (the "'370 patent"),
9	titled "Inflatable Beverage Holder," on April 11, 2017, from an application dated
10	November 8, 2016.
11	13. Covves is the owner by assignment of all right, title, and interest in
12	the '617 patent and '370 patent (together, the "Patents-in-Suit"), including all rights
13	to sue and collect for past, present, and future damages.
14	Facts Underlying Causes of Action
15	Covves Invents Unicorn Floaties
16	14. Covves sells high-quality inflatable pool toys under the brand names
17	"Kololo," "#Floaty," and "#GetFloaty."
18	15. Covves' invented the unicorn pool float, originally sold as the "Giant
19	Unicorn," and popularized it worldwide beginning in 2016-17. Covves' original
20	Giant Unicorn float is shown below.
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1	16. This unicorn pool toy has a unique patented design, which is protected
2	by Covves' '617 patent.
3	17. Covves also sells the "Mini Unicorn Cup Holder," a smaller inflatable
4	unicorn-shaped drink holder with a unique design protected by the '370 patent.
5	18. Unicorn floats did not exist before Covves invented and popularized
6	them.
7	19. Covves practices both of the Patents-in-Suit domestically and
8	worldwide, selling products embodying the patents from various channels including
9	its website, https://getfloaty.com/, and through online retailers, including
10	Amazon.com and HSN.com.
11	20. Covves has over 22,000 followers on its Instagram page
12	(<u>https://www.instagram.com/getfloaty/</u>), which contains many photographs of
13	products that embody the Patents-in-Suit.
14	21. Covves unicorn floats embodying the Patents-in-Suit have been
15	featured on The Today Show, Vogue, Elite Daily, Popsugar, and Harper's Bazaar,
16	among other media sources.
17	22. Covves has a history of arms-length licensing deals with third parties,
18	licensing its unicorn pool floats for \$10.00 per float and its unicorn cupholders for
19	\$1.00 per cupholder.
20	Target's Infringements in 2017-2020
21	23. In or about 2017, Target decided to capitalize on Covves' hard work
22	and success by selling inflatables that copied Covves' intellectual property.
23	24. Beginning in or about early 2018, Target began advertising and selling
24	unicorn pool floats (collectively, "Target Unicorn Floats") that misappropriated the
25	patented design of Covves' unicorn floats.
26	25. Over the next several years, Target sold at least three different versions
27	of Target Unicorn Floats, each of which copied Covves' design claimed in the '617
28	patent. These included the "Glitter Wing Unicorn Pool Float," the "Unicorn Lil
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1 Float," and the "Unicorn Pride Pool Float."

26. Target also sold inflatable unicorn-shaped cupholders called "Unicorn Bev Boats," which copied Covves' design claimed in the '370 patent.

4 27. Target incorporated the Target Unicorn Floats and Unicorn Bev Boats
5 into its "Sun Squad" collection—Target's own house brand for summer fun toys
6 and games. Target designed and selected the packaging for these products and
7 specified various aspects of the product design.

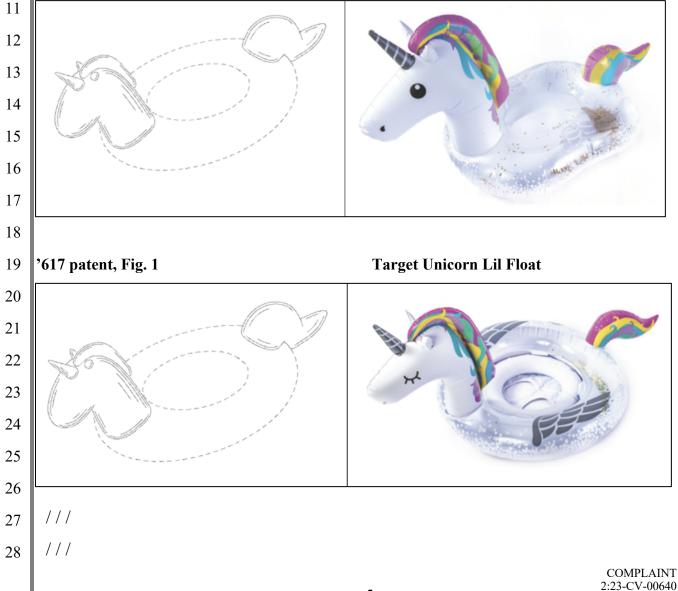
8 28. Below are true and correct photographs of Target's infringing floats
9 next to one of the images from the applicable Patent-in-Suit.

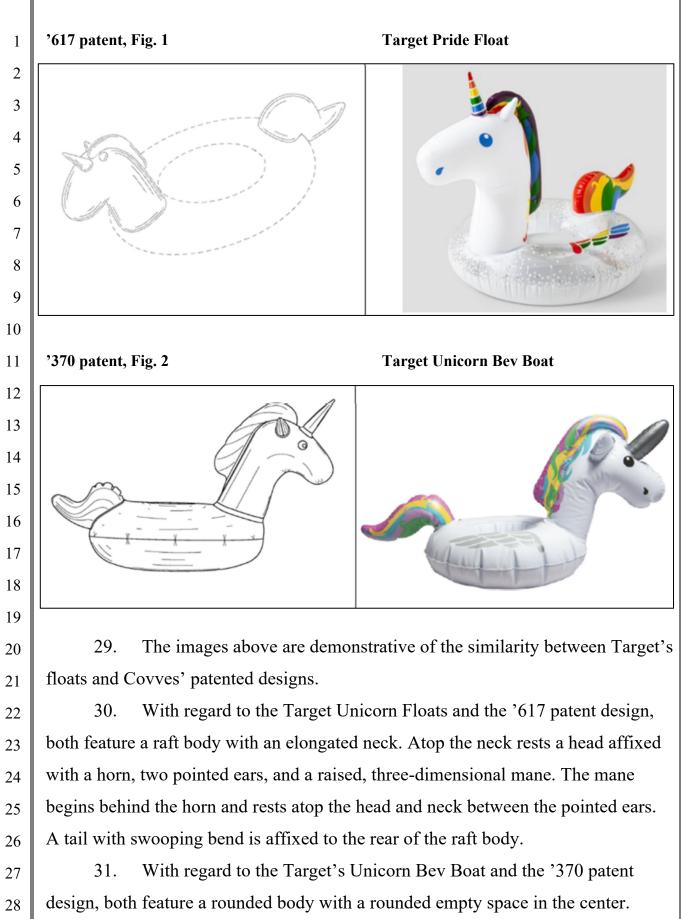
10 '617 patent, Fig. 1

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Target Glitter Wing Unicorn Pool Float





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Affixed to the body is an elongated neck. Atop the neck rests a head affixed with a horn, two pointed ears, and a raised, three-dimensional mane. The mane begins behind the horn and rests atop the head and neck. The eye is comprised of a black circle, containing a smaller white circle. A tail with a swooping bend is affixed to the rear of the rounded body.

32. Pictured below are Covves' patented "Giant Unicorn" product (left) and one of the Target Unicorn Floats sold by Target (right).



33. Pictured below are Covves' patented "Mini Unicorn Cupholder" (left) and the Unicorn Bev Boat (right) sold by Target.



34. The designs of the Target Unicorn Floats are substantially the same as
the design protected by Covves' '617 patent such as to deceive an ordinary observer
into inducing them to purchase Target's products supposing them to be Covves'.

35. The design of Target's Unicorn Bev Boats is substantially the same as 1 the design protected by Covves' '370 patent such as to deceive an ordinary observer 2 into inducing them to purchase Target's products supposing them to be Covves'. 3 36. Target's selling, offering for sale, distributing, and advertising the 4 Target Unicorn Floats has directly infringed the '617 patent. 5 37. Target's selling, offering for sale, distributing, and advertising the 6 Unicorn Bev Boats has directly infringed the '370 patent. 7 Target's Knowledge of Infringement 8 38. Covves initially filed suit for design patent infringement against Target 9 and other defendants in this District in October 2018 ("Initial Case"). In its 10 Complaint in the Initial Case, Covves identified that Target was infringing the 11 Patents-in-Suit. 12 39. During litigation of the Initial Case, Target's legal counsel produced 13 documents showing that the manufacturer of the Target Unicorn Floats, BigMouth, 14 Inc. ("BigMouth"), had intentionally copied the patented design of Covves' original 15 unicorn float. 16 Specifically, BigMouth was in possession, custody, or control of two 40. 17 design documents relating to the design of the unicorn floats at issue—both of 18 which contained photos of Covves' Giant Unicorn float, a commercial embodiment 19 of the '617 patent. An email chain between a BigMouth product designer and 20 BigMouth's Chinese manufacturer shows BigMouth sent the photo of Covves' float 21 to the manufacturer, and the manufacturer created a sample float based on the 22 design of Covves' Giant Unicorn float. The accused floats that were produced after 23 BigMouth sent the design documents to its manufacturer, including the Target 24 Unicorn Floats made for Target, bore the same features as Covves' patented design. 25 41. Target and the other defendants settled the Initial Case shortly before 26 trial in January 2020. However, the settlement agreement was subsequently 27 breached, which, by the express terms of the agreement, enabled Covves to re-file 28

and re-open its claims for infringement against Target that were brought in the 1 Initial Case. 2

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Target's Subsequent Infringements in 2022

42. In 2022, Covves learned that Target was once again selling unicorn pool floats and inflatable drink holders that are copied from Covves' patented designs.

43. In particular, Target has sold and is continuing to sell an inflatable pool float on its website, www.target.com, called the "Rainbow Unicorn Inflatable Swimming Pool Tube Ring Float" (the "Rainbow Ring Float").

44. A screenshot of the Rainbow Ring Float as shown on Target's website 10 is included below, next to an embodiment of Covves' '617 patent. 11

Covves Giant Unicorn Float

Target Rainbow Ring Float



45. The design of the Rainbow Ring Float sold by Target is substantially the same as the design protected by Covves' '617 patent such as to deceive an ordinary observer into inducing them to purchase Target's products supposing them to be Covves'. 24

46. Target's selling, offering for sale, distributing, and advertising the 25 Rainbow Ring Floats has directly infringed the '617 patent. 26

In addition, Target has sold and is continuing to sell an inflatable 47. 27 unicorn-shaped drink holder on its target.com website, which is called the 28

"Inflatable Unicorn Swimming Pool Floating Drink Holder" ("Rainbow Drink Holder").

48. A screenshot of the Rainbow Drink Holder as shown on Target's website is included below, next to an embodiment of Covves' '370 patent.

Covves Mini Unicorn Cupholder

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Target Rainbow Drink Holder



49. The design of the Rainbow Drink Holder sold by Target is substantially the same as the design protected by Covves' '370 patent such as to deceive an ordinary observer into inducing them to purchase Target's products supposing them to be Covves'.

17 50. Target's selling, offering for sale, distributing, and advertising the
18 Rainbow Drink Holder has directly infringed the '370 patent.

19 51. Target's infringement is willful and deliberate, as it has sold and
20 offered to sell the Rainbow Ring Floats and Rainbow Drink Holders with
21 knowledge of Covves' Patents-in-Suit and patented designs.

Count 1

Infringement of US. Patent No. D787,617 (Target Unicorn Floats)

- 52. Covves incorporates each paragraph above into this claim.
- 53. Covves is the owner of the '617 patent.

26 54. Target has directly infringed the '617 patent under 35 U.S.C. § 271(a),

27 literally and/or under the doctrine of equivalents, by selling, offering to sell,

advertising, and promoting Target Unicorn Floats that embody the design protected

1	by Covves'	'617 patent.
2	55.	Covves has been damaged, in an amount to be determined, as a direct
3	and proxima	te result of Target's infringement of the '617 patent.
4		Count 2
5	<u>Inf</u>	ringement of US. Patent No. D783,370 (Unicorn Bev Boat)
6	56.	Covves incorporates each paragraph above into this claim.
7	57.	Covves is the owner of the '370 patent.
8	58.	Target has directly infringed the '370 patent under 35 U.S.C. § 271(a),
9	literally and/	or under the doctrine of equivalents, by selling, offering to sell,
10	advertising,	and promoting Unicorn Bev Boats that embody the design protected by
11	Covves' '37	0 patent.
12	59.	Covves has been damaged, in an amount to be determined, as a direct
13	and proxima	te result of Target's infringement of the '370 patent.
14		Count 3
15	Infr	ingement of US. Patent No. D787,617 (Rainbow Ring Float)
16	60.	Covves incorporates each paragraph above into this claim.
17	61.	Covves is the owner of the '617 patent.
18	62.	Target has directly infringed the '617 patent under 35 U.S.C. § 271(a),
19	literally and/	or under the doctrine of equivalents, by selling, offering to sell,
20	advertising,	and promoting the Rainbow Ring Float, which embodies the design
21	protected by	Covves' '617 patent.
22	63.	Covves has been damaged, in an amount to be determined, as a direct
23	and proxima	te result of Target's infringement of the '617 patent.
24	64.	Target's infringement of the '617 patent has been and continues to be
25	willful. As n	oted above, Target has long known of the '617 patent and its need for a
26	license to pr	actice the patented design. Target has deliberately continued to infringe
27	in a wanton,	malicious, and egregious manner with reckless disregard for Covves'
28	patent rights	. Thus, Target's infringing actions have been and continue to be

consciously wrongful.

65. Such willful and deliberate infringement justifies an increase of three
times the damages to be assessed pursuant to 35 U.S.C. § 284 and further supports
that this is an exceptional case necessitating an award of reasonable attorneys' fees
pursuant to 35 U.S.C. § 285.

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Count 4

Infringement of US. Patent No. D783,370 (Rainbow Drink Holders)

66. Covves incorporates each paragraph above into this claim.

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- 67. Covves is the owner of the '370 patent.

10 68. Target has directly infringed the '370 patent under 35 U.S.C. § 271(a),
11 literally and/or under the doctrine of equivalents, by selling, offering to sell,
12 advertising, and promoting the Rainbow Drink Holder, which embodies the design
13 protected by Covves' '370 patent.

69. Covves has been damaged, in an amount to be determined, as a direct
and proximate result of Target's infringement of the '370 patent.

Target's infringement of the '370 patent has been and continues to be
willful. As noted above, Target has long known of the '370 patent and its need for a
license to practice the patented design. Target has deliberately continued to infringe
in a wanton, malicious, and egregious manner with reckless disregard for Covves'
patent rights. Thus, Target's infringing actions have been and continue to be
consciously wrongful.

22 71. Such willful and deliberate infringement justifies an increase of three
23 times the damages to be assessed pursuant to 35 U.S.C. § 284 and further supports
24 that this is an exceptional case necessitating an award of reasonable attorneys' fees
25 pursuant to 35 U.S.C. § 285.

26

Prayer for Relief

WHEREFORE, Covves prays that this Court enter judgment in its favor on
the claim for relief set forth above and award Covves relief including but not

1	limited to an	n Order:
2	А.	Granting a judgment that Target has infringed the '617 patent and
3		the '370 patent.
4	B.	Permanently enjoining Target and its officers, directors, agents,
5		employees, affiliates, attorneys, and all others acting in privity or in
6		concert with it, and its parents, subsidiaries, divisions, successors, and
7		assigns, from further acts of infringement of the Patents-in-Suit.
8	C.	Granting an accounting of Target's revenue, gross profits, and net
9		profits from all sales of infringing products.
10	D.	Awarding Target's total profits to Covves pursuant to 35 U.S.C. § 289.
11	Е.	Ordering Target to pay to Covves actual damages adequate to
12		compensate for the infringements in the form of a reasonable royalty
13		for the use made of the patented designs by Target, together with
14		prejudgment and post-judgment interest and costs, in accordance with
15		35 U.S.C. § 284.
16	F.	Awarding treble damages pursuant to 35 U.S.C. § 284 for Target's
17		willful and deliberate infringement.
18	G.	Finding this to be an "exceptional case" and awarding Covves its
19		reasonable attorneys' fees pursuant to 35 U.S.C. § 285.
20	Н.	Awarding such other and further relief as this Court may deem just and
21		appropriate under the circumstances.
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1	JURY DEMAND
2	Pursuant to Federal Rule of Civil Procedure 38 and Central District of
3	California L.R. 38-1, Covves demands a trial by jury on all issues so triable.
4	DATED: January 27, 2023 THE MCARTHUR LAW FIRM, PC
5	
6	By: /s/ Stephen C. McArthur
7	By: <u>/s/ Stephen C. McArthur</u> STEPHEN C. MCARTHUR
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