

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Heartland, Inc.,

Plaintiff,

v.

Povolny Specialties, Inc. and Design Electric,
Inc.,

Defendants.

Court File No.

**COMPLAINT FOR PATENT
INFRINGEMENT**

JURY TRIAL DEMANDED

INTRODUCTION

Plaintiff Heartland, Inc. (“Heartland”), for its claims for relief against defendants Povolny Specialties, Inc. (“Povolny Specialties”) and Design Electric, Inc. (“Design Electric”) (collectively, “Defendants”), allege as follows:

NATURE OF THE ACTION

1. This is a civil action for patent infringement arising under the United States patent laws, 35 U.S.C. § 271 *et seq.*

THE PARTIES

2. Heartland, Inc. is a Minnesota corporation with its principal place of business at 4001 Stinson Boulevard, Suite 319, Minneapolis, Minnesota 55421.

3. Upon information and belief, Povolny Specialties, Inc. is a Minnesota corporation with its principal place of business at 7350 Courthouse Blvd., Inver Grove Heights, Minnesota 55077.

4. Upon information and belief, Design Electric, Inc. is a Minnesota corporation with its principal place of business at 4807 Heatherwood Road, St. Cloud, Minnesota 56301.

JURISDICTION AND VENUE

5. This Court has subject matter jurisdiction over this complaint for patent infringement pursuant to 28 U.S.C. §§ 1331 and 1338.

6. This Court has personal jurisdiction as to Povolny Specialties because, upon information and belief, Povolny Specialties is subject to both general and specific jurisdiction in the State of Minnesota. On information and belief, Povolny Specialties is a Minnesota corporation that regularly conducts business in the State of Minnesota and has made, used, sold, and/or offered for sale products and/or services that infringe one or more claims of Heartland's Patents-in-Suit (described below) in this judicial district.

7. This Court has personal jurisdiction as to Design Electric because, upon information and belief, Design Electric is subject to both general and specific jurisdiction in the State of Minnesota. On information and belief, Design Electric is a Minnesota corporation that regularly conducts business in the State of Minnesota and has made, used, sold, and/or offered for sale products and/or services that infringe one or more claims of Heartland's Patents-in-Suit (described below) in this judicial district.

8. Venue is proper in this judicial district under 28 U.S.C. §§ 1391 and 1400(b). A substantial part of the events giving rise to the claims occurred within this judicial district. Additionally, Defendants are both Minnesota corporations that have physical places of business in Minnesota and have made, used, offered for sale, and/or sold the accused products and/or services within this judicial district.

FACTUAL BACKGROUND

I. The Technology at Issue

9. This action concerns technology used in industrial and commercial lighting control panels. These control panels are found in nearly every community around the United States and often control hundreds of separate light devices, such as streetlights. They are complex pieces of electrical engineering that must not only be functional, but also durable and reliable under harsh conditions over many years of use.

10. There have been historical challenges with ensuring that lighting control panels meet these goals. One such challenge is known as “inrush current,” which is a momentary current surge in an electrical device that occurs when the device’s power control activates. In other words, when an electrical device is turned on, there is a momentary “inrush” of electrical current to the device that drops off shortly thereafter. A graphical illustration showing an example inrush current is below.

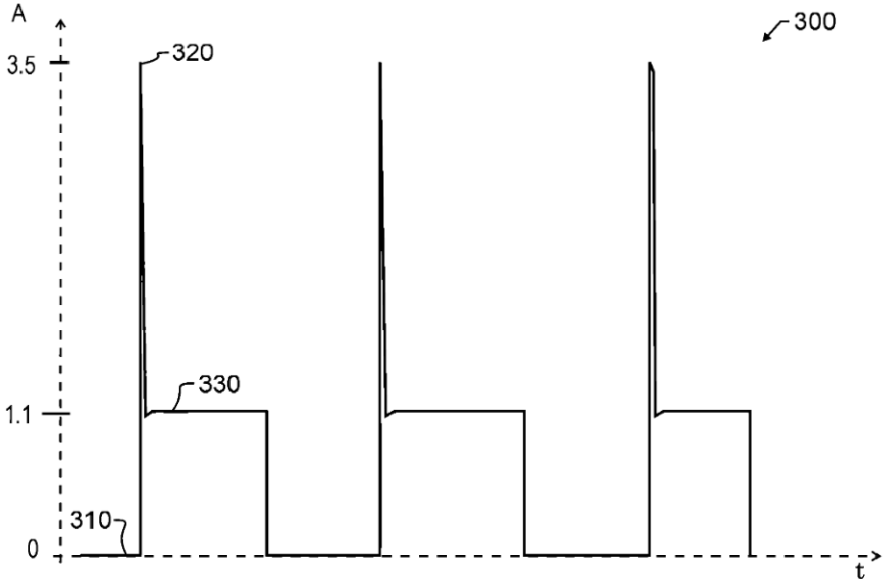


Fig. 3

11. Inrush current negatively affects devices throughout the electrical grid. For example, inrush current can damage downstream devices like streetlights over time by decreasing their power efficiency and causing system errors. Inrush current can also lead to higher electricity rates for consumers based on how utility companies calculate those rates. Since control panels often control hundreds of individual devices, the effects of inrush current are multiplied and felt by each of those devices at the same time.

12. As technology has progressed, lighting devices (e.g., streetlights or industrial light fixtures) have increasingly moved away from more traditional light sources and to light-emitting diode (“LED”) technology. LED technology is not immune to the challenges of inrush current.

II. The Patents-in-Suit

13. Understanding these challenges, Heartland set out to find a solution. These efforts resulted in the technology described and claimed in each of the following patents (the “Patents-in-Suit”):

- a. United States Patent No. 9,788,391 (“the ’391 Patent”) entitled “Solid State Lighting Panel,” which the United States Patent and Trademark Office duly and lawfully issued on October 10, 2017; and
- b. United States Patent No. 10,390,400 (“the ’400 Patent”) entitled “Soft Start Circuitry for LED Lighting Devices with Simultaneous Dimming Capability,” which the United States Patent and Trademark Office duly and lawfully issued on August 20, 2019.

A true and correct copy of the ’391 Patent is attached hereto as ***Exhibit A***. A true and correct copy of the ’400 Patent is attached hereto as ***Exhibit B***.

14. Generally, the '391 Patent describes and claims a particular arrangement of components of a control panel. The patent claims generally describe a solid-state lighting panel containing soft start circuitry, which is an electrical component that gradually increases the power directed to a lighting device and permits the lighting device to gradually activate instead of instantly doing so. The '400 Patent describes and claims soft start circuit devices with components that improves prior technology specific to LED lighting devices.

15. Heartland is the assignee and owner of all right, title, and interest in and to the '391 Patent, including the right to assert all causes of action arising under the '391 Patent and the right to any remedies for infringement of it.

16. Heartland is the assignee and owner of all right, title, and interest in and to the '400 Patent, including the right to assert all causes of action arising under the '400 Patent and the right to any remedies for infringement of it.

III. Povolny Specialties and Design Electric's Infringement of the Patents-in-Suit

17. On information and belief, beginning in or around July 2016, Povolny Specialties began building control panels based on Heartland's design. Design Electric installed the control panels built by Povolny Specialties. These control panels incorporated the technology described and claimed in the Patents-in-Suit.

18. Until February 2017, Heartland was paid royalties on the control panels built by Povolny Specialties and installed by Design Electric.

19. On information and belief, at least as early as March 21, 2018, Povolny Specialties began building and Design Electric began installing control panels which incorporated the technology described and claimed in the Patents-in-Suit without paying Heartland royalties (the "Infringing Control Panels"). On information and belief, Povolny Specialties built and Design Electric installed at least 11 of the Infringing Control Panels in the St. Cloud area alone.

20. On October 8, 2021, Heartland's counsel sent a letter to Povolny Specialties informing it of its infringement. Among other things, Heartland demanded that Povolny Specialties pay royalties on all the Infringing Control Panels. A true and correct copy of this October 8, 2021 letter is attached hereto as *Exhibit C*.

21. Despite repeated communications from Heartland's counsel, Povolny Specialties did not provide a substantive response to the October 8, 2021 letter.

22. On information and belief, on or around January 10, 2022, Povolny Specialties sent a letter to the City of St. Cloud Engineers stating that it would stop producing the Infringing Panels.

23. On April 11, 2022, Heartland's counsel sent Povolny Specialties a second letter discussing the letter to the City of St. Cloud Engineers and restating its demands. Povolny Specialties has not provided a substantive response to this letter. A true and correct copy of the April 11, 2022 letter is attached hereto as *Exhibit D*.

24. On June 9, 2022, Heartland's counsel sent a letter to Design Electric informing it of its potential liability for direct or indirect infringement. Design Electric has not responded to this letter. A true and correct copy of the June 9, 2022 letter is attached hereto as *Exhibit E*.

COUNT I
Infringement of U.S. Patent No. 9,788,391
(Against All Defendants)

25. Heartland incorporates by reference the allegations contained in paragraphs 1 through 24 as if fully set forth herein.

26. On October 10, 2017, the '391 Patent was duly and legally issued to Heartland as an assignee of the inventors. Heartland owns the entire right, title, and interest in and to the '391 Patent, including the right to assert all causes of action arising under the '391 Patent and the right to any remedies for infringement of it.

27. Defendants have willfully and knowingly each made, used, sold, or offered for sale the Infringing Control Panels, which infringe at least claim 1 of the '391 Patent. Defendants have each also induced others to infringe the '391 Patent by encouraging and promoting the use or sale by others of the Infringing Control Panels.

28. Defendants have had actual knowledge of the '391 Patent. Defendants' infringement of this patent has been and continues to be willful and deliberate.

29. Heartland has been damaged by Defendants' infringement of the '391 Patent and will continue to be damaged in the future unless Defendants are permanently enjoined from infringing and inducing the infringement of said patent.

30. Heartland has suffered monetary damages caused by Defendants' infringement in an amount to be proven at trial plus costs, disbursements, interest on amounts due, and reasonable attorneys' fees.

COUNT II
Infringement of the U.S. Patent No. 10,390,400
(Against All Defendants)

31. Heartland incorporates by reference the allegations contained in paragraphs 1 through 30 as if fully set forth herein.

32. On August 20, 2019, the '400 Patent was duly and legally issued to Heartland as an assignee of the inventors. Heartland owns the entire right, title, and interest in and to the '400 Patent, including the right to assert all causes of action arising under the '400 Patent and the right to any remedies for infringement of it.

33. Defendants have willfully and knowingly each made, used, sold, or offered for sale the Infringing Control Panels, which infringe at least claim 1 of the '400 Patent. Defendants have

each also induced others to infringe the '400 Patent by encouraging and promoting the use or sale by others of the Infringing Control Panels.

34. Defendants have had actual knowledge of the '400 Patent. Defendants' infringement of this patent has been and continues to be willful and deliberate.

35. Heartland has been damaged by Defendants' infringement of the '400 Patent and will continue to be damaged in the future unless Defendants are permanently enjoined from infringing and inducing the infringement of said patent.

36. Heartland has suffered monetary damages caused by Defendants' infringement in an amount to be proven at trial plus costs, disbursements, interest on amounts due, and reasonable attorneys' fees.

PRAYER FOR RELIEF

WHEREFORE, Heartland requests judgment against Defendants as follows:

- A. In favor of Heartland and against Defendants on all counts;
- B. That Defendants have infringed each of the Patents-in-Suit;
- C. For an order enjoining Defendants together with their members, officers, directors, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with them, from infringing, inducing others to infringe, and contributing to the infringement of the Patents-in-Suit;
- D. For an award of compensatory damages in an amount to be determined at trial, including damages pursuant to 35 U.S.C. § 284;
- E. For an award of treble damages for willful infringement pursuant to 35 U.S.C. § 284;
- F. For prejudgment and post-judgment interest;

- G. For attorneys' fees, including prejudgment interest on such fees;
- H. For costs, including expert witness fees; and
- I. For such other relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiffs, by counsel, respectfully request a jury trial for all issues deemed triable.

Dated: January 19, 2023

Respectfully submitted,

LATHROP GPM LLP

By: s/ Loren L. Hansen

Loren L. Hansen
Loren.Hansen@lathropgpm.com
Lee B. Bennin
Lee.Bennin@lathropgpm.com

80 South Eighth St.
500 IDS Center
Minneapolis, MN 55402
Telephone: 612.632.3000
Facsimile: 612.632.4444

Attorneys for Plaintiff Heartland, Inc.