UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TEXAS WACO DIVISION

SPORTSPOWER LTD., a Hong Kong Limited	§	
Company,	§	
	§	
Plaintiff,	§	CIVIL ACTION No. 6:23-CV-53
	§	
V.	§	JURY DEMANDED
	§	
ZHEJIANG HONGCHENG INFORMATION	§	
TECHNOLOGY Co., LTD., a China entity of	§	
unknown form,	§	
	§	
Defendant.	§	

PLAINTIFF'S ORIGINAL COMPLAINT

In this Complaint, Plaintiff Sportspower Ltd. ("Sportspower") asserts claims against Defendant Zhejiang Hongcheng Information Technology Co., Ltd. ("Blanketown") for patent infringement under 35 U.S.C. § 1 *et seq.*, trade dress infringement, unfair competition, and unjust enrichment under Texas law. Sportspower seeks (1) actual, treble, and exemplary damages from Defendant; (2) actual and enhanced damages caused by Defendant's infringement of U.S. Patent No. D653,299 ("the '299 Patent"); (3) an order canceling Defendant's Amazon listing for ASIN B08RYPCK52 and B08RYP3MRD; (4) a permanent injunction; and (5) Sportspower's attorney fees and costs of court.

I. PARTIES

- 1. Sportspower is a company formed under the laws of Hong Kong with a principal place of business in Hong Kong at: 20/F, Parkview Centre, 7 Lau Li Street Causeway Bay, Hong Kong. Samuel Chen is the CEO of Sportspower.
 - 2. Blanketown is an entity of unknown form listing its address on Amazon as

No.128 Zhongshan xiaoqu Yazhuang Village, Zhiying Town Yongkang, Zhejiang 321300 CN. It is believed that Blanketown is a China Limited Company due to the form of its name as listed on Amazon, but this name does not return any search results when checked against the China national credit database https://www.creditchina.gov.cn/ when input in Chinese 浙江鸿程信息科技有限公司, when input in pinyin as "zhe jiang hong cheng xin xi ke ji you xian gong si", and when input as its English translation, "Zhejiang Hongcheng Information Technology Co., Ltd." which suggests that it is an unregistered entity or an unregistered dba.

II. JURISDICTION AND VENUE

- 3. This is an action for patent infringement arising under the Patent Act, 35 U.S.C. § 1 *et seq.*, and for trademark infringement and unfair competition under 15 U.S.C. §§ 1114, 1125 (the Lanham Act), as well as trademark infringement, unfair competition, and unjust enrichment under Texas law.
- 4. This Court has original jurisdiction over the subject matter of the Patent Act and Lanham Act claims pursuant to 28 U.S.C. §§ 1331 and 1338(a). The Court has subject-matter jurisdiction over the Texas state-law claims in this action under 28 U.S.C. § 1367 because these claims arise out of the same transactions and occurrences giving rise to the federal Lanham Act claims.
- 5. The Court has personal jurisdiction over Blanketown because the acts that are the subject of Sportspower's claims, including trademark infringement and patent infringement, were committed by Blanketown, in part, in the State of Texas in this Judicial District. Blanketown conducts business through retailers, such as Amazon who offer the alleged infringing products for sale through the Amazon infrastructure, including physical warehouses that operate as distribution centers located in this judicial district. Amazon has a variety of

large distribution centers in the judicial district, the closest being Amazon AUS3 located at 2000 Exchange Pkwy, Waco, TX 76712 which is about 675,000 square feet in size. The vast Amazon digital and physical infrastructure provides anonymity for the seller. The Amazon website is an active website allowing consumers to place orders directly such that Texas residents residing in this Judicial District are/were able to purchase products directly through these websites. Therefore, Blanketown is doing business in this Judicial District and committing acts of patent infringement, unfair competition, and other wrongs in this Judicial District. As a consequence, Blanketown has purposefully availed itself of the laws of the State of Texas, and therefore, exercising personal jurisdiction over it is fair and proper.

- 6. Under 28 U.S.C. § 1391(b)(2), venue is proper in this judicial district because a substantial part of the events giving rise to the claims of this action occurred in this Judicial District. Venue is also proper under 28 U.S.C. § 1391(c)(3) because on information and belief, Blanketown is not a resident of the U.S. As set forth in more detail below and incorporated herein, Blanketown has sold, offered for sale, and marketed the Accused Products to citizens of this State and in particular, citizens of this Judicial District through brick and mortar retail stores as well as active websites through which the Accused Products are sold to residents in McLennan County Texas and offered for sale in McLennan County Texas. Also, under 28 U.S.C. § 1391(d), venue is proper in this Judicial District because "an alien may be sued in any district."
- 7. Blanketown lists an address on Amazon as "No.128 Zhongshan xiaoqu Yazhuang Village, Zhiying Town Yongkang, Zhejiang 321300 CN" which does appear to be a real address. Zhongshan Xiaoqu is a small town in Zhejiang China. Yazhuang Village is a

different small town in Zhejiang China. Zhiying Town is yet another a small town in Zhejiang China. Thus, the address does not relate to any location on a map.

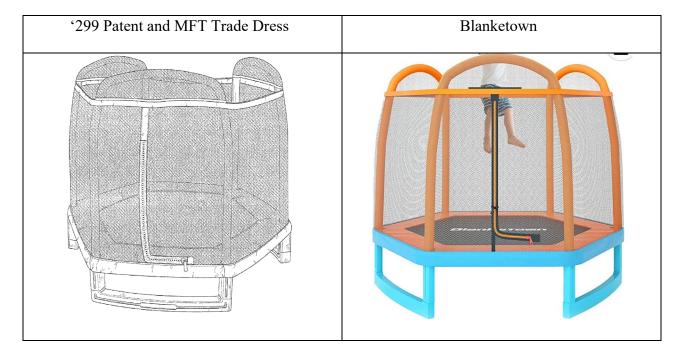
III. FACTUAL BACKGROUND

A. Sportspower's business and intellectual property ownership.

- 7. Sportspower has sold backyard play equipment, including trampolines, under the SPORTSPOWER® trademark since at least as early as 2010. SPORTSPOWER® is a well-known brand of trampolines that is sold at major retailers in the United States such as Walmart, Sam's Club, Academy, and Amazon.com. SPORTSPOWER trampolines were also previously sold at major retailers such as Sears, K-Mart, Toys "R" Us, The Sports Authority, and Sports Chalet. SPORTSPOWER® branded trampolines are also sold at trampoline specialty stores such as Trampoline USA, which has both online and physical retail sales. In the United States, Sportspower primarily sells backyard play equipment such as swing sets, inflatable play structures, and trampolines.
- 8. Inventor Samuel Chen, a graduate of the University of Southern California School of Architecture, designed one of the bestselling SPORTSPOWER® branded trampolines which is the 88" MY FIRST TRAMPOLINE® made according to U.S. Patent No. D653,299 (the '299 Patent) and the MFT Trade Dress. Sportspower is the exclusive licensee of '299 Patent (see Exhibit 4, the EPAS assignment recording filing receipt). Exhibit 1 is true and correct copy of the '299 Patent registration certificate. The patent is directed to an ornamental design for a hexagonal trampoline. Through a decade of prolific sales, Sportspower has developed a trade dress embodied in the '299 Patent (the MFT Trade Dress).

B. Blanketown's infringing activities.

9. Blanketown sells a copy of the 88" MY FIRST TRAMPOLINE® branded as BLANKETOWN on Amazon and other websites. Blanketown manufactures and sells trampolines in competition with Sportspower using a design that infringes the '299 Patent and is confusingly similar to Sportspower's MFT Trade Dress. Blanketown's product uses the same parts with only a minor modification of changing the assembly orientation of the legs. As seen in Exhibit 2, a screenshot of its Amazon website listing shows the infringing product. This product is sold in and shipped to customers in McLennan County Texas.



C. Unless Blanketown is enjoined, Sportspower will suffer irreparable harm for which it has no remedy at law.

10. Unless enjoined, Blanketown will continue to trade on the goodwill Sportspower has built in its trade and profit unfairly from its trade dress infringement, unfair competition, and other wrongs. Blanketown will also continue committing acts of patent infringement. Moreover, Sportspower has no ability to control the quality of the goods provided by Blanketown.

Blanketown's most recent customer ratings show a steep drop on Amazon, and therefore poses an extreme risk of irreparable harm for which there is no remedy at law and for which money damages cannot repair. As seen in Exhibit 3, Blanketown's customer rating has 11% lifetime negative ratings, 17% negative ratings in the last 12 months, 38% negative ratings in the last 90 days, and 100% negative ratings in the last 30 days.

11. By way of example only, if end users or retailer customers of Blanketown receive an inferior product, they may mistakenly attribute that bad experience to Sportspower due to Blanketown's adoption of the same and confusingly similar design. This is heightened by the fact that Blanketown and Sportspower are direct competitors selling competing products. On information and belief, Blanketown is intentionally trading off the goodwill Sportspower has built.

IV. CLAIMS

A. COUNT I — PATENT INFRINGEMENT

- 12. Sportspower repeats and realleges the factual allegations contained in the foregoing paragraphs as if fully set forth at length herein.
- 13. Blanketown has offered for sale, sold, made, imported, used, and/or distributed the Blanketown 7FT Kids Trampoline ("Patent Infringing Product"). As seen in Exhibit 2, the Patent Infringing Product embodies the '299 Patent, which include the same components of the claimed hexagonal trampoline with only the legs assembled in a slightly different pattern.
- 14. The Patent Infringing Product is substantially similar to Sportspower's unique product design as seen by the side-by-side comparison between the Patent Infringing Product and the '299 Patent design above. An ordinary observer would find that the Patent Infringing Product is substantially similar to the '299 Patent and that Blanketown infringes the '299 Patent.

- 15. Blanketown has infringed and/or continues to infringe the '299 Patent by making, using, selling, and/or offering to sell in the United States the Patent Infringing Product, which embodies the design covered by the '299 Patent.
- 16. Sportspower has complied with 35 U.S.C. § 287 by marking its products that embody the design of the '299 Patent.

B. COUNT II — UNFAIR COMPETITION UNDER 15 U.S.C. § 1125(A) (SECTION 43(A) OF THE LANHAM ACT) AND TRADE DRESS INFRINGEMENT

- 17. Sportspower repeats and realleges the factual allegations contained in the foregoing paragraphs as if fully set forth at length herein.
- 18. Blanketown's aforesaid acts, including but not limited to infringing the MFT Trade Dress, committed in the course of interstate commerce constitute material false and misleading representations of fact with respect to the origin of Blanketown's products, and the affiliation, sponsorship, and approval of Blanketown's products in violation of Section 43(a)(1)(A) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A). Sportspower has been damaged by Blanketown's actions. Blanketown's aforesaid acts are likely to cause confusion or mistake as to the origin of Blanketown's products and the affiliation, sponsorship, and approval of Blanketown's products.
 - 19. The MFT Trade Dress is well-known and has acquired secondary meaning.
- 18. In accordance with Section 34 of the Lanham Act, 15 U.S.C. § 1116, Blanketown should be permanently enjoined from using the MFT Trade Dress or any confusingly similar variation thereof such that the infringing online listings should be removed.
- 19. Under Section 35 of the Lanham Act, 15 U.S.C. § 1117(a), Sportspower is entitled to recover from Blanketown: (i) Blanketown's profits, (ii) the damages sustained by

Sportspower, and (iii) the costs of this action. Due to the knowing, intentional, and purposeful nature of Blanketown's conduct, Sportspower seeks treble the amount of its actual damages. Due to the exceptional nature of this case, Sportspower also seeks its reasonable attorneys' fees.

C. COUNT III — UNFAIR COMPETITION UNDER TEXAS LAW

- 20. Sportspower repeats and realleges the factual allegations contained in the foregoing paragraphs as if fully set forth at length herein.
- 21. Blanketown has engaged in commerce in the State of Texas and this Judicial District by marketing, offering to sell, and selling Blanketown's competing products under the misleading MFT Trade Dress. Blanketown has advertised its products through retailers selling its products as well as on the products and related packaging. Blanketown has competed unfairly in violation of Texas law by misrepresenting or leading the public to believe that its products are sponsored by, approved by, affiliated with, associated with, or originated by Sportspower.
- 22. In accordance with Texas law, Blanketown should be permanently enjoined from using the MFT Trade Dress or any confusingly similar variation thereof.
- 23. Sportspower has been damaged by Blanketown's actions. According to Texas law, Sportspower is entitled to recover its actual damages caused by Blanketown's unfair competition and exemplary damages due to the knowing, willful, and intentional nature of Blanketown's actions.

E. COUNT IV — UNJUST ENRICHMENT UNDER TEXAS LAW

- 24. Sportspower repeats and realleges the factual allegations contained in the foregoing paragraphs as if fully set forth at length herein.
- 25. As set forth above, Blanketown has used the MFT Trade Dress and confusingly similar variations thereof and goodwill as an integral step of Blanketown's sales of its products.

Blanketown has received a direct pecuniary benefit from these unlawful acts. Blanketown is therefore unjustly enriched to Sportspower's detriment. As a result, Sportspower is entitled to recover its actual damages caused by Blanketown's unjust enrichment.

V. PERMANENT INJUNCTION

- 26. Sportspower repeats and realleges the factual allegations contained in the foregoing paragraphs as if fully set forth at length herein.
- 27. On information and belief, Blanketown, unless enjoined, will continue to misrepresent to or mislead the public into believing that its products are sponsored by, approved by, affiliated with, associated with, or originated by Sportspower and infringe the Sportspower '299 Patent and MFT Trade Dress to identify Blanketown's competing products. These actions violate the Patent Act, the Lanham Act, and Texas law.
- 28. These actions entitle Sportspower to a permanent injunction enjoining Blanketown and its officers, agents, servants, representatives, employees, and all those persons in active concert or participation with them from:
 - (i) Using the MFT Trade Dress; and
 - (ii) Making, using, selling, offering for sale, or importing the Patent InfringingProduct.
- 29. For these actions, there is no adequate remedy at law. Further, Sportspower is substantially likely to prevail on the merits of these claims. The injury to Sportspower greatly outweighs any injury to Blanketown that the requested injunction may cause. The balance of hardships tips strongly in favor of Sportspower. Finally, the injunction will not disserve the public interest. Therefore, Sportspower is entitled to the above permanent injunctive relief against Blanketown.

VI. JURY REQUEST

In accordance with the Constitution of the United States, and Federal Rule of Civil Procedure 38, Sportspower hereby demands a trial by jury on its claims alleged against Blanketown.

VII. REQUEST FOR RELIEF

For these reasons, Sportspower respectfully requests the Court to:

- 1. In accordance with Texas law and 15 U.S.C. § 1116, issue a permanent injunction enjoining Blanketown and its officers, agents, servants, representatives, employees, and all those persons in active concert or participation with Blanketown from the acts described above in this Complaint;
- 2. Order Blanketown to provide an accounting of all sales, revenues, and profits related to Blanketown's products that infringe Sportspower's Marks and that were falsely designated as being sponsored by, approved by, affiliated with, or associated with the Sportspower Marks;
 - 3. Enter an order that Blanketown has infringed the '299 Patent;
 - 4. Enter an order that Blanketown has infringed the MFT Trade Dress;
- 5. In accordance with 15 U.S.C. § 1118, order that all materials in Blanketown's possession or control bearing '299 Patent and MFT Trade Dress be surrendered for destruction;
- 6. In accordance with Texas law and 15 U.S.C. § 1117(a), award Sportspower its actual, exemplary, and treble damages;
- 7. In accordance with Texas law and 15 U.S.C. § 1117(a), award Sportspower all of Blanketown's profits from the aforesaid acts of unjust enrichment, trademark infringement, and unfair competition;

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8. In accordance with 35 U.S.C. § 284, award Sportspower damages adequate to

compensate for Blanketown's patent infringement as well as enhanced damages due to

Blanketown's willful conduct;

9. In accordance with 15 U.S.C. § 1117(a) and 35 U.S.C. § 285, find this case to be

exceptional in Sportspower's favor and award Sportspower its reasonable attorneys' fees, costs,

and expenses of this action;

10. Award Sportspower pre-judgment and post-judgment interest at the maximum

allowable interest rate; and

11. Grant Sportspower such other and further relief, at law or in equity, to which it is

justly entitled.

FRCP 7.1 DISCLOSURE STATEMENT

Sportspower is not owned by any parent corporation or publicly held corporation that

owns 10% or more of its stock.

Dated: January 26, 2023

Respectfully submitted,

/s/ Clement Cheng

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