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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

KIDS SQUAD LLC,

Plaintiff,

v.

GUANGZHOU HUI DE E-TRADE CO., LTD,
GUANGZHOU YIKONG ELECTRONIC
COMMERCE CO., LTD., SHENZHEN SHI
YANWU ZHINENG JIAJU YOUXIAN
GONGSI GONGSI LTD., and SHENZHEN
HONGQUAN INTERNATIONAL CO., LTD.

Defendants.

Civil Action No. 23-CV-07764

**COMPLAINT FOR INFRINGEMENT
OF U.S. PATENT NO. 11,684,863**

DEMAND FOR JURY TRIAL

Plaintiff Kids Squad LLC (“Kids Squad” or “Plaintiff”), by and through their undersigned counsel, hereby submits its Complaint against Defendants Guangzhou hui de E-Trade Co., Ltd., Guangzhou Yikong Electronic Commerce Co., Ltd., Shenzhen Shi Yanwu Zhineng Jiaju Youxian Gongsi Ltd., Shenzhen Hongquan International Co., Ltd. (collectively, “Defendants”), and allege as follows:

NATURE OF ACTION

1. The cause of action in this Complaint arises under the Patent Act, Title 35, U.S.C. §§ 100 *et seq.*

2. This action relates to Kids Squad’s patented bath toy set, comprising an innovative design centered around malleable bath toys for youngsters, ideal for both bathtub and pool settings (“Bath Toy Products”).

3. Kids Squad’s patented Bath Toy Products primarily comprise a series of containers, each having distinct features like a body, an inlet positioned near the top, and an outlet located near the bottom. These containers can be easily mounted on walls, ensuring versatility in play settings.

4. The uniqueness of Kids Squad’s patented Bath Toy Products also lie in its additional components, such as T-shaped pipes, angled connecting pipes, and a tube assembly. Together, these elements allow the containers to be interconnected in various configurations, facilitating the flow of water from one container to another, either directly or through the tubes, creating an engaging and dynamic water flow experience for children.

THE PARTIES

5. Plaintiff Kids Squad LLC is a limited liability company organized under the laws of New York, with its principal place of business at 52 Steers St, Staten Island, NY 10314.

6. Upon information and belief, Defendant Guangzhou hui de E-Trade Co., Ltd (“Guangzhou hui”) is a Chinese limited company doing business at Room 113, Building 7, Nanji Road, Industrial Avenue, Haizhu District, Guangzhou, Guangdong Province, China. Upon information and belief, Guangzhou hui is doing business as BNLLD.

7. Upon information and belief, Defendant Guangzhou Yikong Electronic Commerce Co. Ltd. (“Guangzhou Yikong”) is a Chinese limited company doing business at Building 1, No. 106 Fengze East Road, X1301-A2048, Nansha District, Guangzhou, Guangdong Province, China.

Upon information and belief, Guangzhou Yikong is doing business as WvinYng MRPL also known as Xtan.

8. Upon information and belief, Defendant Shenzhen Shi Yanwu Zhineng Jiaju Youxian Gongsi (“Shenzhen Shi”) is a Chinese limited company doing business at Building 5, No. 607 Xixiang Street, Oyster Community, Baoan Internet Industry Base Area A, Baoan District, Shenzhen, Guangdong Province, China. Upon information and belief, Defendant Shenzhen Shi is doing business as TERRAMUS also known as Yanwoo.

9. Upon information and belief, Defendant Shenzhen Hongquan International Co., Ltd. (“Shenzhen Hongquan”) is a Chinese limited company doing business at 9th Floor, Zhongguang Building, No. 22 Yayuan Road, Haneda Street, Longgang District, Shenzhen, Guangdong Province, China. Upon information and belief, Defendant Shenzhen Hongquan is doing business as Gifts2U.

10. Upon information and belief, Defendants are in the business of manufacturing, marketing, and selling toy products, including products related to bath toy sets used by children.

11. Upon information and belief, Defendants have manufactured, sold, or offered for sale infringing bath toy sets for use by children throughout the United States and in New York (“Accused Products”).

JURISDICTION AND VENUE

12. This Court has subject matter jurisdiction over the patent claims in this action pursuant to 28 U.S.C. §§ 1331 and 1338.

13. Venue is proper in this Court pursuant to 28 U.S.C. § 1391 since Defendants are foreign entities who are engaged in infringing activities and are causing harm within the district by advertising, offering to sell and/or selling infringing products to consumers in New York,

including through e-commerce stores that are accessible in New York and operating under Merchant or Seller IDs.

14. Personal jurisdiction exists over Defendants in this District pursuant to N.Y. C.P.L.R. § 302(a)(1) and N.Y. C.P.L.R. § 302(a)(3), or in the alternative, Fed. R. Civ. P. 4(k) because, upon information and belief, Defendants regularly conduct, transact and/or solicit business in New York and in this District, and/or derive substantial revenue from business transactions in New York and in this District, and/or otherwise avail themselves of the privileges and protections of the laws of the State of New York such that this Court's assertion of jurisdiction over Defendants does not offend traditional notions of fair play and substantial justice.

15. In addition, Defendants' infringing actions caused injury to Plaintiff in New York and in this District such that Defendants should reasonably expect such actions to have consequences in New York and this District.

16. For example, Defendants' Amazon Storefronts accept orders of Accused Products from and offer shipping to New York addresses located in this District. Screenshots of shopping carts from Defendants' Amazon Storefronts allowing Accused Products to be shipped to Manhattan are attached to the Declaration of Michael Steinmetz ("Steinmetz Decl."), filed contemporaneously herewith, as **Exhibit 1**.

17. Moreover, upon information and belief, Defendants have transacted business with consumers located in the U.S., including New York (and more particularly, in this District), for the sale and shipment of Accused Products.

THE PATENT IN SUIT

18. Kids Squad is the owner, by way of assignment, of U.S. Patent No. 11,684,863 (the “Bath Toy Patent”), which is entitled, “Soft and squeezable water play toy.” A true and correct copy of the Bath Toy Patent is attached as **Exhibit 2**.

19. As the owner of the entire right, title, and interest in the Bath Toy Patent by assignment, Plaintiff possesses the right to sue for and obtain equitable relief and damages for infringement of the Bath Toy Patent.

20. The Bath Toy Patent that was filed on January 24, 2023 lists Sara Soifer as the inventor and Kids Squad as the assignee, and was issued on June 27, 2023.

21. The claims of the Bath Toy Patent carry a presumption of validity under 35 U.S.C. § 282(a) and are enforceable.

GENERAL ALLEGATIONS

22. Plaintiff is in the business of developing, manufacturing, and selling high-quality, innovative bath toys tailored for children.



Kids Squad’s Bath Toy Product

23. By utilizing the Bath Toy Patent, Plaintiff's Bath Toy Products are ingeniously designed to allow toddlers to pour water using the beaker and delight as it courses through the interconnected pipes. Boasting adaptability, these toys can be reassembled into numerous configurations, ensuring a fresh and exhilarating experience during each bath session.

24. Unlike conventional bathtub toys, Plaintiff's offerings transform bath time into a scientific exploration. Designed as an advanced STEM toy, it provides an array of test tubes, flasks, and pipes, enabling children to assume the role of a budding scientist and assemble them in diverse ways, fueling creativity and inquisitiveness.

25. Prioritizing child safety and seamless play, these bath toys are crafted from high-grade materials, boasting robust suction capabilities for wall attachment. The intuitive design ensures the tubes interlock perfectly, letting children indulge in imaginative play without any hitches or hindrances.

26. Plaintiff invests considerable time, effort and money in developing and protecting its intellectual property, including the unique and novel designs of its products.

27. Plaintiff markets and sells its Bath Toy Products through its Amazon Storefront website, https://www.amazon.com/stores/PlayFriends/page/E32C1697-D86B-4AE3-A3BD-8F61C46811FB?ref=ast_bln.

28. Plaintiff has had to drop the price of its Bath Toys from \$26.99 to attempt to compete with the Accused Products, which are sold in identical channels as Kids Squad's product at a price point of just \$19.99

29. Plaintiff's Amazon Storefront provides extensive content, including product information, instructions for use, video demonstrations, and customer reviews.

DEFENDANTS' UNLAWFUL AND INFRINGING ACTIVITIES

30. Defendants have directly infringed and continue to directly infringe Plaintiff's Bath Toy Patent by making, using, selling, and offering for sale in the United States, and/or importing into the United States the Accused Products, embodying the invention defined by one or claims of the Bath Toy Patent, without authority or license from Plaintiff.

31. Defendant Guangzhou hui d/b/a/ BNLLD's Amazon Storefront <https://www.amazon.com/dp/B0BPM58HP1> offers for sale and sells a product virtually identical to Plaintiff's Bath Toy Products. A true and correct screenshot of the BNLLD Webpage offering this product for sale is attached as **Exhibit 3**. The product is offered for a sale price of \$16.99. Ex. 3.



BNLLD's infringing product

32. Defendant Guangzhou Yikong d/b/a/ WvinYng MRPL a/k/a Xtan's Amazon Storefront <https://www.amazon.com/dp/B0BL9TK1QY?th=1> offers for sale and sells a product virtually identical to Plaintiff's Bath Toy Products. A true and correct screenshot of the WvinYng

MRPL Webpage offering this product for sale is attached as **Exhibit 4**. The product is offered for a sale price of \$18.98.



WvinYng's infringing product

33. Defendant Shenzhen Shi d/b/a/ TERRAMUS a/k/a Yanwoo's Amazon Storefront <https://www.amazon.com/dp/B0BNBF583H> offers for sale and sells a product virtually identical to Plaintiff's Bath Toy Products. A true and correct screenshot of the TERRAMUS's Webpage offering this product for sale is attached as **Exhibit 5**. The product is offered for a sale price of \$18.98.



TERRAMUS's infringing product

34. Defendant Shenzhen Hongquan d/b/a Gifts2U's Amazon Storefront <https://www.amazon.com/dp/B0BMWQ812Q> offers for sale and sells a product virtually identical

40. Defendants and Plaintiff are major competitors in an industry where competitors closely monitor each other's new products, technology developments, and patents.

41. Defendants have known of the Plaintiff's Bath Toy Patent since at least early July 2023 when Plaintiff notified each Defendant by email that it was infringing the Bath Toy Patent. True and correct copies of email correspondences are attached hereto as **Exhibit 7**.

42. On August 15, 2023, Plaintiff's counsel sent a letter to each Defendant demanding that the infringement stop after prior email notifications had failed to elicit either an adequate response or any response at all. True and correct copies of the letters are attached hereto as **Exhibit 8**.

43. On information and belief, Defendants modeled the Accused Products on Plaintiff's patented product, essentially piggybacking on Plaintiff's costly research and development, and a reasonable opportunity for discovery will likely provide evidentiary support for this fact.

44. Plaintiff prominently lists "Patented" on its Bath Toy Amazon listings, putting Defendants on notice of Kids Squad's exclusive use of the '863 Patent

45. For the reasons set forth above, Defendants knew of the Plaintiff's Bath Toy Patent before the service of this Complaint, infringed the Bath Toy Patent after they knew of the Bath Toy Patent, and knew, or should have known, that the Accused Products infringed the Bath Toy Patent. A reasonable opportunity for discovery will likely provide further evidentiary support for such knowledge.

46. At a minimum, Defendants became aware of the Bath Toy Patent at least as early as the date of service of this Complaint, have continued to infringe the Bath Toy Patent after this date, and know, or should know, that the Accused Products infringe the Bath Toy Patent based on the infringement allegations set forth in this Complaint.

CAUSE OF ACTION

**Count I
Patent Infringement Under 35 U.S.C § 271
(Against All Defendants)**

47. Plaintiff repeats and realleges the allegations in paragraphs 1 to 45 above as if fully set forth herein.

48. Plaintiff is the owner of the Bath Toy Patent.

49. At all times herein mentioned the Bath Toy Patent was and is valid and fully enforceable.

50. Defendants have directly infringed and continue to directly infringe—literally and under the doctrine of equivalents—one or more claims of the Bath Toy Patent by making, using, selling, and/or offering for sale the Accused Products.

51. As shown below, the Accused Products each include a plurality of soft and squeezable containers. Each container comprises a body that defines a specific volume, along with an inlet located at or near the top of the body and an outlet positioned at or near the bottom of the body. These containers are designed to be interconnected, wherein at least one of the connecting pipes attaches to the outlet of one container and the inlet of another container, allowing for water to flow seamlessly from one container to another.



BNLLD



WvinYng

become entrenched with the Amazon Marketplace (2) loss of Plaintiff's investment in developing the market for children's unique bath toy products, (3) negative effect on its reputation as innovator and pioneer, (4) the unquantifiable effect on lost sales of related products, (5) price erosion due to Defendants' Accused Products being sold at a price point lower than Plaintiff's patented products, and (6) diversion of resources to defend against loss of market share caused by sales of the Accused Products.

59. Defendants' acts of infringement, including their continued sales of the Accused Products after notice of their infringement through Plaintiff's July emails, August 15, 2023 letter, and the service of this Complaint have been, and continue to be, willful and deliberate and therefore warrant the award of attorneys' fees pursuant to 35 U.S.C. § 285 and the award of enhanced damages pursuant to 35 U.S.C. § 284.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment as follows:

A. Enter a judgment that Defendants have infringed one or more claims of the Bath Toy Patent under 35 U.S.C. § 271;

B. For a judgment enjoining Defendants, their respective officers, agents, servants, directors, and employees, and all individuals in active concert or participation with each, from directly or indirectly infringing, or inducing or contributing to the infringement by others of the Bath Toy Patent;

C. For a judgment directing that any products in the possession, custody or control of Defendants which infringe the Bath Toy Patent, including but not limited to the Accused Products, be delivered up and destroyed within 30 days of entry of judgment;

D. For a judgment directing Defendants to recall all such Accused Products and any other materials sold, distributed, advertised or marketed which infringe the Bath Toy Patent;

E. For an order directing Defendants to file with the Court, and serve upon Plaintiff's counsel, within thirty (30) days after entry of the order of injunction, a report setting forth the manner and form in which each of them has complied with the injunction;

F. For an award of damages in an amount to be proven at trial, including disgorgement of profits or gains of any kind made by Defendants from their infringing acts, lost profits and/or reasonable royalty, in amounts to be fixed by the Court in accordance with proof, including general, statutory, enhanced, exemplary, treble, and/or punitive damages, as appropriate;

G. Specifically, increase Plaintiff's damages award up to three times, in view of Defendants' willful infringement, in accordance with 35 U.S.C. § 284;

H. Declare this case exceptional under 35 U.S.C. § 285 and award Plaintiff its attorneys' fees, expenses and costs incurred in this action;

I. Award Plaintiff interest and costs pursuant to 35 U.S.C. § 284;

J. Such other and further relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff demands trial by jury on all issues triable.

Dated: September 1, 2023
New York, NY

Garson, Ségal, Steinmetz, Fladgate LLP

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