

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
(Ft. Worth Division)**

RTR DPF LLC,

Plaintiff,

v.

DET DIESEL EMISSION TECHNOLOGIES,  
LLC, and SYNERGY CATALYST, LLC,

Defendants.

Civil Action No.: \_\_\_\_\_

**COMPLAINT**

Plaintiff RTR DPF LLC, (“Plaintiff” or “RTR”), by and through its undersigned counsel, brings this action against DET Diesel Emission Technologies, LLC (“DET”) and Synergy Catalyst, LLC (“Synergy”) (collectively “Defendants”) and alleges, on knowledge and to its own actions and otherwise upon information and belief, as follows:

**PRELIMINARY STATEMENT**

1. This action by RTR seeks compensation and redress from Defendants’ unlawful business practices that have harmed RTR directly, through Defendants’ false claims, unlawful business practices, and contract breaches.

2. Beginning in 2021, Defendants heavily promoted and advertised that they had achieved patent protection on its technology and processes that it was offering to the public, and, in particular, targeting RTR and other franchisees of DPF Alternatives, LLC (“DPF Alternatives”).

3. In 2021 and continuing to today, Defendants have no issued patents, either through assignment or license, let alone any patent that covers its offered technology and processes.

4. Relying on these demonstrably false claims of patent ownership and other false promises, RTR was induced to enter into agreements to sell and offer Defendants' products and services on the express understanding that Defendants would aggressively enforce their (non-existent) patent rights, inducing RTR to overpay for unpatented materials and services at the risk of being "locked out" by Defendants.

5. This action seeks redress for Defendants' unlawful use of false marking and false advertising under the patent statute, the Lanham Act, the Sherman Act, and state tort laws.

### **PARTIES**

6. RTR DPF LLC, a franchisee of DPF Alternatives, LLC has its principal place of business located at 6910 Running Deer Ct., Granbury, TX 76049.

7. Upon information and belief, Defendant DET Diesel Emission Technologies, LLC is a Texas limited liability company with its principal place of business located at 1122 West Bethel Road, #400, Coppell, TX 75019.

8. Upon information and belief, Defendant Synergy Catalyst, LLC is a Texas limited liability company with its principal place of business located at 1122 West Bethel Road, #400, Coppell, TX 75019.

9. Upon information and belief, Defendants operate under and use the assumed name "Recore."

10. Upon information and belief, both Defendants are single-member LLC, with both Defendants operating under the same sole member and shareholder.

11. Upon information and belief, both Defendants use the same location, resources, and staff in the operation of their businesses.

12. Upon information and belief, Defendants have comingled their business operations together, including their business assets such as their use and holding themselves out as “Recore” businesses.

13. Defendants are alter egos of each other and/or constitute a single business enterprise

### **JURISDICTION**

14. This court has jurisdiction over this action pursuant to 15 U.S.C. §§ 2 and 1121, 28 U.S.C. §§ 1331 and 1338(a) and (b), 35 USC § 292, and pursuant to the principles of supplemental jurisdiction under U.S.C. § 1367 for Texas state and common law claims.

15. This court has jurisdiction over Defendants as they regularly transacted business in and with persons located in the State of Texas, including directing its business to the State of Texas and has purposely availed itself of the benefits of the State of Texas.

16. Defendants also have contacts with the State of Texas arising from the acts forming the basis of RTR’s claims.

### **VENUE**

17. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b), in that a substantial part of the events or omissions giving rise to the claim occurred within this District.

### **BACKGROUND FACTS**

18. RTR is a franchisee of DPF Alternatives, a nationwide franchise that specializes in providing diesel particulate filter (DPF) services to the diesel industry.

19. Broadly speaking, a DPF is a device designed to remove diesel particulate matter or soot from the exhaust gas of a diesel engine.

20. The diesel particulate matter in the exhaust contains carbon compounds that have not burned because of local low temperatures where the diesel fuel is not fully atomized. These local low temperatures occur at the cylinder walls of the engine and at the surface of large droplets of fuel. In turn, the fuel can turn into a carbon deposit at these low temperature areas.

21. Modern diesel engines use a DPF as part of its exhaust system to capture carbon particles and then intermittently burn them by using fuel injected into the post-combustion injection into the exhaust stream or fuel injected into the exhaust stream before the filter. This prevents carbon buildup at the expense of wasting a small quantity of fuel.

22. This process of active regeneration of the DPF ensures proper filtration during day-to-day operation of the engine, however, particulate matter will still build up over time that requires forced regeneration or replacement of the DPF.

23. In particular, the DPFs installed on all diesel engines since 2007 need service by trained technicians and specialized equipment to perform forced regeneration or replacement of the DPF.

24. The DPF Alternatives brand is well known in the industry for its ultrasonic diesel particulate filter cleaning process and warranty services of DPFs.

25. DPF Alternatives is the only national franchise brand to offer a trade-secret ultrasonic technology, along with two patent pending pieces of equipment, to completely recover and restore diesel emissions components in diesel engines manufactured in 2007 or later.

26. DPF Alternatives' ultrasonic technology allows safe recovery of these components that contain precious metals such as rhodium, platinum, and palladium to their Original Equipment (OE) specifications at very minimal costs. The recovery of these components is necessary to remove soot and ash that reduces air flow rates to unacceptable levels, causing the diesel engine's computer system to greatly reduce power

output or shut down the engine completely. Permanently removing or altering these components is in violation of both federal and state laws for commercial vehicles and equipment.

27. The DPFs that DPF Alternatives services are generally cylindrically shaped with an inner cylindrical filter also referred to as the “core” of the DPF. DPF Alternatives can use its ultrasonic process to fully recover the core. However, if the core is damaged, the unit must either be replaced or “re-cored.”

28. RTR is provided equipment, training, and other resources by DPF Alternatives to provide DPF Alternatives’ services and products for servicing DPF units.

29. DPF Alternatives also maintains a list of approved vendors that RTR and other franchisees may work with to supplement the DPF Alternatives services and products offered at each location.

### **STATEMENT OF THE CLAIM**

#### ***A. Defendants Make False Representations to Induce RTR to Purchasing Their Recore Equipment.***

30. On or about March 2022, Robert Rangel, principal of RTR, met with Peter Lambe, a sales representative from “Recore,” the trade name of Defendants, at a trade show in Kentucky where Defendants had a booth.

31. Lambe was offering to RTR equipment and services on behalf of Recore that he claimed was patented technology.

32. In particular, Defendants claimed that they had patented equipment and a method of “re-coring” a DPF.

33. Defendants claimed its patent technology and equipment could remove the core of the DPF, allowing for repair or replacement of the DPF.

34. Additionally, RTR received materials from the Kentucky trade show where Defendants exhibited their Recore products and advertised that its Recore products were patented.

35. Defendants also made a presentation for its Recore products and services that explicitly stated its equipment and processes were patented.

36. After RTR engaged Defendants showing initial interest in adding Recore products and services to its ongoing DPF Alternatives franchise, Defendants used threats of its patent exclusivity to coerce RTR into purchasing Defendants' Recore products and services. For example, Defendants used statements such as: "If you don't buy Recore, you won't be able to get into the re-coring of diesel aftertreatment components business any other way because it's patented."

37. Defendants proposed RTR would have the Dallas-Fort Worth Metropolitan area as RTR's protected territory to sell Defendants' equipment and services, despite the existence of an already-operating facility offering Defendants' Recore equipment and services.

38. To induce RTR to enter into the financing agreements, Defendants affirmatively represented that there was surplus demand for Defendants' Recore equipment and services in the Dallas-Fort Worth Metropolitan area, and that Defendants would not sell additional franchisees Recore equipment and services in the Dallas-Fort Worth Metropolitan area.

39. To induce RTR to enter into the financing agreements, Defendants affirmatively represented that the Recore equipment and processes were protected by an issued U.S. Patent.

40. To induce RTR to enter into the financing agreements, Defendants affirmatively represented that RTR would be permitted to return the Recore equipment and terminate the relationship with Defendants if RTR was not satisfied with the Recore equipment for a full refund of all amounts paid to Defendants.

41. To induce RTR to enter into the financing agreements, Defendants affirmatively represented that Defendants had “trucks lined up fifty deep” in anticipation of RTR using Defendants’ Recore products and services on their trucks.

42. To induce RTR to enter into the financing agreements, Defendants affirmatively represented that RTR would have access to qualified, professional sales assistance if the RTR was not generating enough sales to justify the purchase of Recore equipment.

43. Instead of providing the equipment as a vendor, Defendants used its false statements to induce RTR to have its affiliate company sign long-term and financing agreements before Defendants would provide the Recore equipment and technology to RTR.

***B. RTR Purchases Recore Equipment from Defendants***

44. On or about April 2022, RTR, through an affiliate company, purchased equipment from Defendants including two “presses” to perform re-coring of DPFs.

45. As part of the purchase of the Recore equipment, RTR was induced into having its affiliate company sign long-term financing agreements with third parties.

46. After RTR’s affiliate company signed the long-term financing agreement for Defendants’ equipment and technology, Defendants demanded immediate payment of money up front for Defendants’ inventory.

47. There is no written agreement between RTR and Defendants concerning the purchasing of Defendants’ equipment.

48. Defendants have never provided any agreement to RTR concerning the protected territory that Defendants stated would be part of the purchasing Defendants’ equipment. an signed an agreement with Defendant DET nominally labeled as a “Master Services Agreement.”

49. Despite the absence of any agreement between RTR and Defendants, Defendants have nonetheless represented RTR as one Defendants' Recore franchisees in Defendants' business materials including Defendants' website.

***C. RTR Learns the Falsity of Defendants' Material Representations***

50. After agreeing to purchase Defendants' equipment, RTR learned that Defendants did not have any issued patents, let alone a patent that covered the Recore equipment and processes.

51. After agreeing to purchase Defendants' equipment, RTR learned that Recore would not provide RTR with an exclusive territory and reserved the right to establish additional Recore franchisees within RTR's territory.

52. After agreeing to purchase Defendants' equipment and finding out that Defendants would not honor an exclusive territory, Defendants refused to permit RTR to relocate one of RTR's presses out of the Dallas-Fort Worth Metropolitan area to an unsaturated market.

53. After agreeing to purchase Defendants' equipment, RTR learned that Defendants refused to agree to terminate the relationship with RTR and that Defendants refused to accept returned equipment.

54. After RTR purchased Defendants' equipment from Defendants, Defendants have been unresponsive to RTR's phone calls concerning technical questions and order processing for materials and supplies.

55. After RTR purchased Defendants' equipment from Defendants, Defendants were unresponsive to making sales calls in RTR's markets of operation to supply them with the national accounts.



***D. Defendants' Conduct During the Financing Agreement***

56. In addition to the above representations, Defendants continued making false statements during the course of the agreement.

57. Defendants also promised that Defendants would make RTR's cleaning equipment and process the only approved process to service Defendants' Recore DPFs. Defendants did not, and have not, made DPF Alternatives' cleaning equipment and process the only approved process to service Defendants' Recore DPFs.

58. After RTR had signed purchased the equipment from the Defendants, Defendants further misrepresented to RTR that unless the RTR purchased additional expensive cleaning equipment, Defendants would not allow them to offer or honor the Defendants' warranty on its Recore products.

59. As a result of these actions, RTR was unable to carry out the duties it committed to its franchising agreement with DPF Alternatives. The language in the Defendants' contract they signed, along with the criticism they received from Defendants regarding DPF Alternatives, and unresponsiveness of Defendants to supply them with technical help, supplies required to use the Defendants' equipment, and failure to provide national accounts all worked to greatly reduce RTR's ability to generate the revenue needed to sustain their Recore business.

60. Defendants' onerous terms of its financing agreements with RTR, including excessive payments for the unpatented "Recore" equipment, jeopardized the solvency of RTR.

61. RTR has been directly harmed through Defendants' actions.

62. RTR was coerced into violating the terms of their franchising agreements with DPF Alternatives at the direction, insistence, and/or threats of Defendants.

63. RTR has lost revenue due to Defendants' direct interference.

64. RTR has been unable to transition to an alternative supplier of the same equipment due to the onerous financing agreements Defendants coerced RTR to enter.

Another supplier of the “re-coring” equipment and technology is ready and available to supply RTR at prices that reflect the actual value of the equipment, rather than the value inflated by Defendants.

65. Additionally, Defendants have made direct threats to enforce their non-existent patent rights against RTR should they even attempt to seek other suppliers for the re-coring equipment and technology.

66. Moreover, upon investigation into the purportedly “new” equipment and processes Defendants claim to have invented, the same equipment and method for removing the core of a DPF had been invented by another at least prior to 2014, who had publicly disclosed and offered it for sale at least as early as 2014.

67. In particular, Peter Lambe visited the inventor of technology, who showed Mr. Lambe how the technology and equipment worked.

68. Without the inventor’s permission, Defendants proceeded to commercialize the technology and equipment that Peter Lambe had viewed.

69. Any purported patent rights for any employee, officer, or representative of Defendants would be barred by 35 U.S.C. § 102 for at least (1) not being the inventor of the technology; (2) being publicly disclosed and/or offered for sale more than one year prior to the filing date of any patent application.

**FIRST CLAIM FOR RELIEF**  
**FALSE MARKING UNDER 35 USC § 292**

70. The allegations of the previous paragraphs are incorporated herein by reference.

71. Under 35 U.S.C. § 292, a party is liable for false marking when it “marks upon, or affixes to, or uses in advertising in connection with any unpatented article, the word “patent” or any word or number importing that the same is patented, for the purpose of deceiving the public.

72. Defendants sell and offer their “Recore” DPF re-coring equipment and technology to the public.

73. Defendants have publicly advertised that their “Recore” DPF re-coring equipment and technology was “patented.”

74. At the time Defendants advertised that their “Recore” DPF re-coring equipment and technology was patented, Defendants knew that it had no issued or licensed patents, let alone a claim of an issued or licensed patent that would encompass its DPF re-coring equipment and technology.

75. Defendants falsely represented it had a patent with the intent of deceiving the public, and in particular RTR, to convince RTR to have its affiliate company enter into agreements with Defendants that have detrimentally affected RTR’s ability to compete in the marketplace.

76. RTR has been harmed in the marketplace through Defendants’ false representations by being unable to terminate the agreement it was induced into entering based on the false patent claims or switching to an alternative supplier of competing equipment and processes.

### **SECOND CLAIM FOR RELIEF**

#### **FALSE DESCRIPTIONS UNDER 15 USC § 1125 (LANHAM ACT § 43)**

77. The allegations of the previous paragraphs are incorporated herein by reference.

78. Defendants have made and continue to make false statements of fact in commercial advertisements and in commercial statements about its DPF re-coring equipment and technology.

79. The false statements of fact made by Defendants have actually deceived or have the tendency to deceive a substantial segment of the audience for Defendants’ commercial advertisements and commercial statements.

80. Defendants' deception has been material, in that it is likely to influence the purchasing decision of members of the audience for the commercial advertisements and commercial statements.

81. Defendants caused the commercial advertisements and commercial statements containing false statements of fact to enter interstate commerce.

82. RTR has been injured as a result of the false statements made by Defendants.

83. Defendants have acted in bad faith in making its false statements of fact in commercial advertisements and commercial statements about its DPF re-coring equipment and technology.

84. Pursuant to 35 U.S.C. § 1125(a)(1), Defendants are liable to RTR for the false statements of fact.

85. Pursuant to 35 U.S.C. § 1117, DPF Alternatives is entitled to an award of Defendants' profits, damages sustained by RTR, and the costs of this action.

### **THIRD CLAIM FOR RELIEF**

#### **MONOPOLIZATION OF TRADE UNDER 15 USC § 2 (SHERMAN ACT § 2)**

86. The allegations of the previous paragraphs are incorporated herein by reference.

87. Defendants have excluded competitors from the DPF service market by falsely asserting that the DPF re-coring equipment and technology it manufactures and sells are covered are patented technology.

88. Defendants' false advertisements and statements about its patent rights have induced RTR into an agreement on the condition that Defendants' DPF re-coring equipment and technology was a protected by issued U.S. Patents and that it was the only supplier of the DPF re-coring equipment and technology.

89. Defendants have possessed monopoly power in the distinct submarket for DPF re-coring equipment, or there has been a dangerous probability of Defendants achieving monopoly power in the distinct submarket for DPF re-coring equipment and other economically relevant markets.

90. Defendants have acted with specific intent to monopolize the distinct submarket for DPF re-coring equipment and other economically relevant markets.

91. Defendants have engaged in predatory or anticompetitive conduct in the distinct submarket for DPF re-coring equipment and other economically relevant markets.

92. DPF Alternatives has suffered antitrust damages as a result of Defendants' monopolistic actions.

93. Pursuant to 15 U.S.C. § 2, Defendants are liable to RTR for Defendants' monopolization or attempted monopolization of the distinct submarket for DPF re-coring equipment and other economically relevant markets.

94. Pursuant to 15 U.S.C. § 15, RTR is entitled to an award of threefold the damages it sustained, and the cost of suit, including a reasonable attorney's fees for Defendants' monopolization or attempted monopolization of the distinct submarket for DPF re-coring equipment and other economically relevant markets.

**FOURTH CLAIM FOR RELIEF**  
**BREACH OF CONTRACT**

95. The allegations of the previous paragraphs are incorporated herein by reference.

96. As part of purchasing equipment from Defendants, Defendants promised to provide RTR exclusivity within a defined territory.

97. Defendants breached their agreement with RTR by not providing an exclusive territory or permitting competing franchisees within the exclusive territory.

98. As part of purchasing equipment from Defendants, Defendants promised that RTR would have a substantial number of customers that needed Defendants' equipment and services immediately after signing.

99. Defendants breached the agreement by not having customers waiting for RTR to service.

100. As part of purchasing equipment from Defendants, Defendants promised that RTR would be provided training and support by Defendants.

101. Defendants breached its agreement with RTR by not providing training and support to RTR.

102. As part of purchasing equipment from Defendants, Defendants promised RTR would be provided sales and support including technical support and buyback of slow-moving inventory.

103. Defendants breached their agreement with RTR by not providing technical support and buyback of slow-moving inventory.

104. RTR has suffered and will continue to suffer damages as a result of Defendants' breach of the Agreement.

**FIFTH CLAIM FOR RELIEF**  
**FRAUD IN THE INDUCEMENT**

105. The allegations of the previous paragraphs are incorporated herein by reference.

106. Defendants made multiple misrepresentations regarding material terms of the agreement between RTR and Defendants, including but not limited to (a) that the Recore equipment and processes were patented; (b) that RTR would have an exclusive territory; (c) that the Defendants would accept the return of the Recore equipment if unsatisfied with the Recore equipment and cease further payments for the equipment; and

(d) that Defendants had customers waiting to use RTR's purchased equipment and services upon agreement with Defendants.

107. Defendants made these material misrepresentations of facts for the purpose of inducing RTR to enter into the financing agreements for the benefit of the Defendants.

108. The material misrepresentations were untrue as (a) Defendants had and have no issued patents; (b) RTR has no exclusive territory and/or Defendants have stated they will permit other Recore franchisees within RTR's territory; (c) Defendants refuse to permit RTR to return the equipment while requiring RTR to continue payments for the equipment; and (d) Defendants had no customers waiting to make use of Defendants' Recore equipment and services through RTR.

109. RTR relied upon these material misrepresentations made by Defendants to induce RTR to enter into agreements with Defendants.

110. RTR would not have entered into the agreements with Defendants had it known about the truth of the statements before entering into agreements with the Defendants.

111. RTR has suffered damages as a result of Defendant's fraudulent inducement of contract.

112. Defendants have enjoyed a pecuniary gain as a result of Defendants' fraudulent inducement of RTR to enter into the agreements.

**SIXTH CLAIM FOR RELIEF**  
**TORTIOUS INTERFERENCE WITH CONTRACT**

113. The allegations of the previous paragraphs are incorporated herein by reference.

114. At all relevant times, RTR had, has, and continues to have a valid contract with its franchisor DPF Alternatives.

115. As part of the negotiation to become an approved vendor for DPF Alternatives, Defendants had knowledge of these franchising agreements between RTR and DPF Alternatives.

116. Defendants intentionally and improperly interfered with these contracts by inducing and/or coercing RTR to fail to perform terms of their franchising agreements with DPF Alternatives and failing to maintain the high-quality service required to be a DPF Alternatives franchisee as a direct result of Defendants' interference with the franchisees.

117. RTR has suffered and will continue to suffer damages as a result of Defendants' interference with RTR's agreement with DPF Alternatives.

118. Defendants' wrongful conduct was willful, deliberate, malicious, and intended to injure RTR. Accordingly, RTR is also entitled to punitive damages in amounts yet to be determined.

### **REQUEST FOR RELIEF**

WHEREFORE, Plaintiff RTR prays judgement against Defendants, jointly and severally, as follows:

- A. That Defendants are held to have falsely marked upon, or falsely affixed to, unpatented articles and processes sold and offered by Defendants the word "patent" or other words importing that the articles or processes are patented, for the purpose of deceiving the public;
- B. That Defendants are held to have falsely used in advertising, in connection with unpatented articles and processes sold and offered by Defendants, the word "patent" or other words that the articles or processes are patented, for the purpose of deceiving the public;
- C. That Defendants are held to have possessed unlawful monopoly power in the distinct submarket for DPF re-coring equipment and other economically



- relevant markets, or that there has been a dangerous probability Defendants achieving unlawful monopoly power in the distinct submarket for DPF recoring equipment and other economically relevant markets;
- D. Award DPF RTR its damages sustained from Defendants' unlawful patent marking, false advertising, and unlawful monopoly power in amount determined at trial;
  - E. Award RTR treble damages it sustained, and the cost of suit, including reasonable attorneys' fees;
  - F. Award RTR compensatory damages from Defendants' breach of contract;
  - G. Rescind all agreements between RTR and Defendants and return RTR to its status quo ante the agreements;
  - H. Award RTR punitive damages as provided under Texas law;
  - I. Entry of an injunction enjoining Defendants, its officers, directors, employees, agents, licensees, subsidiaries and affiliated companies, successors and assigns, and any and all persons in active concert or participation with any of them, from:
    - a. Engaging in any conduct suggesting or tending to suggest that any product or service promoted, advertised, performed, or offered for sale by Defendants is protected by a valid and subsisting patent; and
    - b. Conveying the impression to the public through communications, displays, advertising, packaging or otherwise that any product or service offered by Defendants is protected by a valid and subsisting patent;
  - J. Award any other legal or equitable remedies to which RTR be entitled, including all remedies provided for in 15 U.S.C. § 1117(a) and Texas state law, and under any other Texas state statutory or common law;
  - K. Award RTR interest and post-judgment interest; and
  - L. Award such other and further relief as this Court deems just and proper.

**JURY DEMAND**

Plaintiff seeks a trial by jury on all matters triable.

Dated: January 5, 2024

Respectfully submitted,

By: /s/ Erik J. Osterrieder

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