

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

POWX INC.,

Plaintiff,

v.

PERFORMANCE SOLUTIONS, LLC

Defendant.

Civil Action No. 1:23-cv-01389-MMG

COMPLAINT

Plaintiff PowX Inc. (“Plaintiff”), by its undersigned attorneys, for its Complaint against Performance Solutions, LLC (“Defendant”), states as follows:

NATURE OF THE ACTION

1. Defendant is the owner of a United States patent, U.S. Patent No. 9,656,112 (“the ’112 Patent”), that claims, *inter alia*, a “two piece therapeutic, fitness, and sports enhancement device.” (A copy of the ’112 Patent is attached hereto as **Exhibit A**).

2. Upon information and belief, in March of 2023 Defendant filed a report with Amazon alleging infringement of the ’112 Patent, but Amazon reinstated Plaintiff’s listings on appeal.

3. Not satisfied with Amazon’s finding of non-infringement, Defendant sought a second bite at the apple and filed a request to suspend Plaintiff’s listings for identical products by asserting the ’112 Patent against Plaintiff through Amazon.com’s (“Amazon”) Patent Evaluation Express (“APEX”) program.

4. Plaintiff, an online retailer of consumer products, brings this action for a judgment declaring that the ’112 Patent is not infringed, invalid and obtained by inequitable conduct.

THE PARTIES

5. Plaintiff is a corporation formed under the laws of the state of New York with a place of business at 35 Newbury St., Monroe, New York 10950.

6. Upon information and belief, Defendant is a corporation organized under the laws of Massachusetts with a place of business at 5 Commonwealth Rd., Suite 2B, Natick, MA 01760.

JURISDICTION AND VENUE

7. The Court has subject matter jurisdiction over this action pursuant to the Federal Declaratory Judgments Act, 28 U.S.C. §§ 2201 and 2202 and 28 U.S.C. §§ 1331, 1338, and 1367.

8. An actual and justiciable controversy exists between Plaintiff and Defendant as to the non-infringement, invalidity and enforceability of the '112 Patent.

9. Specifically, on February 5, 2024, Plaintiff received an email from patent-evaluation@amazon.com. The email stated that Amazon “received a report from a patent owner who believes the items listed at the end of this email infringe their U.S. Patent No. 9,656,112.” The items listed included Plaintiff’s product having the Amazon Standard Identification Numbers (“ASIN”) B0BSYDKF4F, B0CRCG7Y2W, B0CQZ4LMJ9, B0CRC672DJ, B0CRC99GK9, B0BSY8X784, B0CRC8K4B7, B0CRCN5GHR, B0BSXW4GN4, B0CQZ585RP (“Accused Products”).

10. The February 5, 2024 email attached a copy of an Amazon Patent Evaluation Express Agreement, which was executed by Mr. Kipp K. Dye, identified as Manager for Defendant. In the executed Agreement, Defendant identified claim 1 of the '112 Patent as the “Patent Claim number for Evaluation.”

11. The February 5, 2024 email provided Plaintiff with two options for continuing to sell the Accused Product on Amazon: (1) “resolve [the] claim with the patent owner directly,” or

(2) “participate in neutral evaluation of the patent owner’s claim.” The email set a 3-week time period for Plaintiff to make its choice.

12. The February 5, 2024 email concluded by stating that “[i]f [Plaintiff] do[es] not either resolve your claim with the patent owner directly, or agree to participate in the neutral evaluation process, [Amazon] will remove the [Accused Product] from Amazon.com.”

13. Accordingly, a definite and concrete dispute exists between Plaintiff and Defendant regarding non-infringement of the ’112 Patent.

14. Defendant is subject to specific jurisdiction in this Court, *inter alia*, because it conducts business in the District and has committed at least some of the acts complained of herein within this District.

15. Defendant does business in the State of New York, sells large quantities of consumer products, including beverage filter products, to customers in New York, maintains an interactive website accessed by residents of New York, and otherwise avails itself of the privilege of doing business in the State of New York.

16. Defendant has purposely directed its activities, including the acts against Plaintiff described herein, toward this District and this action arises from those activities.

17. Specifically, at all relevant times, Defendant was aware the Plaintiff resides in New York and that its illegal acts would cause harm to Plaintiff in New York. Specifically, Plaintiff’s Amazon storefront identifies Plaintiff’s place of business in New York.

18. Venue in this District is proper under 28 U.S.C. §1391(b) because a substantial part of the events giving rise to the claims occurred in this District and the Defendant is subject to personal jurisdiction in this District.

PLAINTIFF AND ITS BUSINESS

19. Plaintiff is an online retailer of a wide variety of products. Among the online platforms that Plaintiff uses to offer and sell its products is the Amazon marketplace.

20. The Amazon marketplace is an online e-commerce platform that allows for third parties like Plaintiff to sell products on that platform.

21. Plaintiff offers a wide variety of products on Amazon's marketplace, including foam rollers.

22. Upon information and belief, Amazon is the world's largest online retailer.

23. The privilege of selling on Amazon is highly advantageous, as Amazon provides third parties like Plaintiff with exposure to the world marketplace on a scale that no other online retailer can currently provide.

24. Any harm that comes to the relationship between Plaintiff and Amazon creates a potential for serious and irreparable injury to Plaintiff.

25. Plaintiff offered the Accused Product for sale on Amazon since approximately 2017.

THE '112 PATENT

26. On January 25, 2016, Defendant filed the application for the '112 Patent with the USPTO (the "Application").

27. The Application identified Kipp K. Dye ("Dye") as the sole inventor of the subject matter claimed in the Application.

28. Upon information and belief, Dye is an owner and manager of Defendant.

29. The '112 Patent, entitled "Therapeutic, fitness, and sports enhancement device," issued on May 23, 2017.

30. The '112 Patent contains a single independent Claim (Claim 1) which requires, *inter alia*, “an entirely cylindrically shaped core” which is absent from Plaintiff’s products.

FIRST CAUSE OF ACTION
(Declaratory Judgment of Non-Infringement)

31. Plaintiff repeats and realleges the allegations of Paragraphs 1–30 as if fully set forth herein.

32. This claim arises under the patent laws of the United States, Title 35 United States Code, and the Federal Declaratory Judgment Act, 28 U.S.C. § 2201, *et seq.*

33. There exists an actual and justiciable controversy between Plaintiff and Defendant with respect to the alleged infringement of the '112 Patent due to the assertion of the '112 Patent against Plaintiff.

34. Plaintiff has not infringed and does not infringe any valid claim of the '112 Patent directly or indirectly, either literally or under the doctrine of equivalents.

35. In view of the foregoing, Plaintiff is entitled to a judgment declaring that Plaintiff’s filter product does not infringe the '112 Patent.

SECOND CAUSE OF ACTION
(Declaratory Judgment of Patent Invalidity)

36. Plaintiff repeats and realleges the allegations of Paragraphs 1–35 as if fully set forth herein.

37. This claim arises under the patent laws of the United States, Title 35 United States Code, and the Federal Declaratory Judgment Act, 28 U.S.C. § 2201, *et seq.*

38. There exists an actual and justiciable controversy between Plaintiff and Defendant with respect to the alleged validity of the '112 Patent due to the assertion of the '112 Patent against Plaintiff.

39. The '112 Patent is invalid for failure to comply with at least 35 U.S.C. §§ 102 and/or 103.

40. In view of the foregoing, Plaintiff is entitled to a judgment declaring that the '112 Patent is invalid under at 35 U.S.C. §§ 102 and/or 103.

THIRD CAUSE OF ACTION
(Declaratory Judgment of Non-Infringement and Unenforceability)

41. Plaintiff repeats and realleges the allegations of Paragraphs 1–40 as if fully set forth herein.

42. This claim arises under the patent laws of the United States, Title 35 United States Code, and the Federal Declaratory Judgment Act, 28 U.S.C. § 2201, *et seq.*

43. There exists an actual and justiciable controversy between Plaintiff and Defendant with respect to the alleged enforceability of the '112 Patent due to the assertion of the '112 Patent against Plaintiff.

44. Plaintiff is entitled to a judgment declaring that the '112 Patent was obtained by inequitable conduct upon the USPTO and thus is unenforceable, and that the Accused Product does not infringe the '112 Patent.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment as follows:

A. Declaring that (1) the '112 Patent is invalid and unenforceable and (2) that Plaintiff has not infringed the '112 Patent;

B. Preliminary and permanent injunctive relief restraining Defendant and its agents, servants, employees, successors and assigns, and all others in concert and privity with them from filing false complaints with Amazon, and any other e-commerce platform, regarding the Accused Product;

- C. Declaring this action an exceptional case under 35 U.S.C. § 285;
- D. Awarding Plaintiff its attorney's fees and costs incurred in this Action; and
- E. Granting such other and further relief as this Court deems just and proper.

DEMAND FOR JURY TRIAL

Plaintiff hereby requests a jury trial for all issues triable by jury.

Dated: April 3, 2024

Respectfully submitted,

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