

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF MICHIGAN**

LATHAM POOL PRODUCTS, INC.,

Plaintiff,

v.

SENTRY COVERS, LLC,

Defendant.

Civil Action No. 1:24-cv-399_____

Jury Trial Demanded

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Latham Pool Products, Inc. (“Latham” or “Plaintiff”) by and through its undersigned counsel, make and file this Complaint against Defendant Sentry Covers, LLC (“Sentry” or “Defendant”), and hereby allege and demand a jury trial as follows:

I. THE PARTIES

1. Latham is the largest designer, manufacturer, and marketer of inground residential swimming pools in North America. In addition to pools, Latham designs, manufactures, and markets pool covers designed to enhance pool safety, provide peace of mind for homeowners, and lower maintenance costs throughout the winter.

2. Latham is a corporation organized and existing under the laws of the state of Delaware, with a principal business address at 787 Watervliet Shaker Road, Latham, New York 12110.

3. Latham is the owner of United States Patent Nos. 9,644,707 (“the ’707 patent”), 11,680,419 (“the ’419 patent”), and 11,454,040 (“the ’040 patent”) (collectively “the Asserted Patents”).

4. On information and belief, Defendant Sentry Covers, LLC (“Sentry”) is a limited liability company organized under the laws of the state of Michigan with its principal place of business at 810 Cottage View Dr., Suite G20, Traverse City, Michigan 49684.

II. JURISDICTION AND VENUE

5. This is an action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 100, *et seq.* The Court has subject matter jurisdiction pursuant to 35 U.S.C. §§ 1331 and 1338(a).

6. The Court has personal jurisdiction over Sentry because, upon information and belief, Sentry resides in this District, has its principal place of business within this District in Traverse City, Michigan, and has committed acts of infringement in this District.

7. Venue is proper pursuant to 28 U.S.C. §§ 1391 and 1400(b). Sentry resides in this District, and upon information and belief, Sentry has committed, induced, and/or contributed to the acts of infringement alleged herein in this District, and these claims arise from those acts. Sentry has regularly engaged in business in Michigan and within this District, maintaining a regular place of business in this District by way of its headquarters and principal place of business.

FACTUAL BACKGROUND

III. THE '707 PATENT

8. U.S. Patent Number 9,644,707 (“the ’707 patent”) is entitled “Universal Gear Assembly for Automatic Pool Covers.” The ’707 patent was duly and legally issued on May 9, 2017 by the United States Patent and Trademark Office. A true and correct copy of the ’707 patent is attached to this Complaint as Exhibit A.

9. Latham is the owner of all right, title, and interest in the ’707 patent, including the right to sue, enforce, and recover damages for all infringements.

10. The '707 patent has not expired and is in full force and effect.

11. Pursuant to 35 U.S.C. § 282, the '707 patent and each of its claims are valid and enforceable.

12. The '707 patent relates to “motorized pool cover systems for use with swimming pools, and more particularly, but not necessarily entirely, to motorized pool cover systems with gear assemblies for selectively transferring power from an input shaft to one of two output shafts.”

IV. THE '040 PATENT

13. U.S. Patent Number 11,454,040 (“the '040 patent”) is entitled “Pool Cover Assembly and Systems.” The '040 patent was duly and legally issued on September 27, 2022 by the United States Patent and Trademark Office. A true and correct copy of the '040 patent is attached to this Complaint as Exhibit B.

14. Latham is the owner of all right, title, and interest in the '040 patent, including the right to sue, enforce, and recover damages for all infringements.

15. The '040 patent has not expired and is in full force and effect.

16. Pursuant to 35 U.S.C. § 282, the '040 patent and each of its claims are valid and enforceable.

17. The '040 patent relates to “pool cover assemblies that include encapsulation connection systems for the encapsulation pieces of the pool cover assemblies.”

V. THE '419 PATENT

18. U.S. Patent Number 11,680,419 (“the '419 patent”) is entitled “Pool Cover Assembly and Systems.” The '419 patent was duly and legally issued on June 20, 2023 by the

United States Patent and Trademark Office and is a continuation application of the '040 patent. A true and correct copy of the '419 patent is attached to this Complaint as Exhibit C.

19. Latham is the owner of all right, title, and interest in the '419 patent, including the right to sue, enforce, and recover damages for all infringements.

20. The '419 patent has not expired and is in full force and effect.

21. Pursuant to 35 U.S.C. § 282, the '419 patent and each of its claims are valid and enforceable.

22. The '419 patent relates to “pool cover assemblies that include encapsulation connection systems for the encapsulation pieces of the pool cover assemblies.”

VI. LATHAM'S AUTOMATIC POOL COVER ASSEMBLIES

23. Latham invented an automatic pool cover system with a universal double dog gear assembly that allows the gear assembly for opening and closing the cover to be installed on either side of a pool. Previously available double dog gear mechanisms were side specific—i.e., designed for installation on the right side of the pool or on the left side of the pool—because the gear mechanisms could rotate in only one direction. These side-specific double dog gear mechanisms have a high failure rate and can lead to potentially unsafe conditions. Further, because they were only able to be installed on one side of the pool, pool installers would have to specifically order double dog gear mechanisms for the side of the pool cover that the motor was installed. This led to confusion and prolonged customer wait times if the wrong side was ordered or delivered. Latham's invention of a universal double dog gear assembly therefore allowed it to provide its customers with safe, more reliable, and easier installation of its pool cover assemblies. For example, Latham uses its inventive double dog gear system in its Infinity 4000 pool cover system.

24. On November 12, 2014, Latham applied for patent protection for its double dog gear system. That patent was granted as the '707 patent. The '707 patent is a continuation-in-part of U.S. patent application No. 14/479,221, filed on September 5, 2014, which is a continuation of application No. 13/996,161, filed on August 13, 2013.

25. Latham also invented a pool cover encapsulation assembly that couples together separate portions, or lengths, of a pool encapsulation using a splice member. For example, Latham markets and sells track systems for its automatic pool covers that can be built directly into the pool wall using track encapsulation. Conventionally, the encapsulation for each edge of a pool assembly was shipped as a single piece. These single pieces were often large and cumbersome, resulting in increased shipping costs and an increased risk of damage to the assembly or injury to the individuals moving the encapsulation pieces. Latham's invention permits manufacture and shipment of encapsulation of different sizes and forms, making installation of pool cover encapsulation assemblies easier and cheaper.

26. On October 7, 2020, Latham applied for patent protection for its encapsulation connection systems. That patent was granted as the '404 patent. The Patent Office also granted Latham a continuation patent on the technology—the '419 patent.

VII. SENTRY'S KNOWLEDGE OF LATHAM'S PATENTS AND PATENT RIGHTS

27. In a letter sent on November 15, 2022, counsel for Latham notified Mr. Thomas Straub, vice president of Sentry, that Sentry was infringing at least the '707 patent and the '040 patent and demanded Sentry cease and desist from its infringement. Ex. G. Regarding the '707 patent, the letter advised "any manufacture, use, sale, or offer for sale in the United States, or importation into the United States, of Sentry's 'double dog' gears constitutes infringement of the '707 Patent." *Id.* at 2. Regarding the '040 patent, the letter advised "any manufacture, use, sale,

or offer for sale in the United States, or importation into the United States, of Sentry's encapsulation system as described on Sentry's website constitutes infringement of the '040 Patent." *Id.*

28. On February 8, 2023, counsel for Latham sent a second letter to Sentry advising Sentry of its continued infringement of the '707 and '040 patents and providing claim charts of exemplary claims from each respective patent "to further evidence why Sentry must immediately cease all infringing activity." Ex. H.

29. On July 24, 2023, counsel for Latham sent another letter to Sentry notifying Sentry that it continued to infringe Latham's '707 patent and '040 patent, as previously advised in Latham's November 15, 2022 letter. Ex. I. Latham also notified Sentry on this date that Sentry's Encapsulation Assemblies infringed upon the '419 patent. *Id.* Latham's July 24, 2023 correspondence also provided a claim chart showing infringement of the '419 patent by Sentry's Encapsulation Assemblies. Ex. I at 9-12.

VIII. SENTRY'S POOL COVER PRODUCTS

30. The term "Sentry Products" as used herein refers to the Sentry Cover System using a "universal double dog" gear assembly and Sentry's pool encapsulation assembly comprising 8-foot encapsulation sections.

31. The term "Sentry Gear Assembly" as used herein refers to the Sentry Cover System using a "universal double dog" gear assembly.

32. The term "Sentry Encapsulation Assembly" as used herein refers to Sentry's pool encapsulation assembly comprising 8-foot encapsulation sections.

33. Upon information and belief, Mr. Thomas Straub was vice president at TentCraft, LLC ("TentCraft"), parent company of Sentry Covers, from January 2020 to February

2023. Prior to Mr. Straub's employment at TentCraft, Mr. Straub was employed by Latham as Senior Vice President of Sales and Marketing. Mr. Straub was an employee at Latham for over 11 years.

34. During Mr. Straub's employment at Latham, Latham manufactured, marketed, and sold automatic pool covers including double dog gear assemblies and pool encapsulation assemblies. Upon information and belief, Mr. Straub worked on one or more aspects of the double dog gear assemblies and/or pool encapsulation assemblies during his employment at Latham.

35. Upon information and belief, after Mr. Straub became employed by TentCraft in January 2020, TentCraft formed Sentry Covers, LLC on February 19, 2021, via a holding company, Craft Holdings, Inc. ("Craft Holdings").

36. Upon information and belief, after its formation, Sentry began manufacturing, marketing, and selling automatic pool covers including double dog gear assemblies and 8-foot pool encapsulation assemblies.

37. Upon information and belief, Mr. Straub gave an interview to reporter Mark Urban for The Record Eagle, which was incorporated into an article entitled, "TentCraft launches Sentry Covers," published on Sunday June 19, 2022. Ex. J. The article begins, "In the age-old question of what came first, employment preceded the enterprise at Sentry Covers. When Tom Straub took the position of vice president of sales at TentCraft, it didn't take him long to realize his previous employment at Latham Pool Products would follow him from upstate New York to northern Michigan." *Id.* at 1. The article further states, "It was during [Mr. Straub's] initial walk through the shop floor with TentCraft President/CEO Matt Bulloch when Straub turned to his new boss and came up with a new business venture under Craft Holdings. 'You're

in the tent business, but you're sitting on a gold mine,' Straub recalls telling Bulloch in early 2020." *Id.* The article reports that "[Mr.] Straub joined TentCraft after working at Latham, one of the leaders in the \$180 million automatic pool cover industry. Straub quickly saw TentCraft had the equipment, capacity and trained personnel to join the industry." *Id.*

38. Upon information and belief, the Sentry Products were designed to compete in the market with products such as Latham's automatic safety pool covers that incorporate its double dog gear assembly and encapsulation assembly.

39. Sentry's website advertises the Sentry Cover system as "[using] two 'double dog' gears instead of a single, double dog gear used in current systems." Ex. K at 4. The website states, "[w]ith our system, the installer can remove two plastic caps ... to switch the threaded pin from one double dog gear over to the other, allowing the system to operate in the other direction." *Id.* According to Sentry, this system is beneficial "[b]ecause the same components are used between right and left mechanisms, you only need to stock one set of parts ... Even in the rare occurrence where an installer has the wrong mechanism at a job site, they can quickly switch the mechanism over and avoid lost time." *Id.*

40. Sentry's website advertises its Encapsulation Assembly as having "encapsulation sections [that] come in 8' lengths, making transport and installation easier" and a "self-aligning (vertically and horizontally) bracket that installs in the angled channel" to "ensure rigid alignment between sections." *Id.* at 4.

IX. COUNT I: INFRINGEMENT OF THE '707 PATENT

41. Latham incorporates by reference the averments of the preceding paragraphs of this Complaint as though fully set forth here.

42. Sentry, without license or authorization to do so, has directly infringed and is directly infringing one or more claims of the '707 patent, literally or under the doctrine of equivalents, by making, using, selling, offering for sale, and/or importing its Sentry Gear Assembly within the United States, in violation of 35 U.S.C. § 271(a).

43. As set forth in the nonlimiting claim chart attached as Exhibit D, Sentry's Gear Assembly is a gear assembly for selectively coupling a drive shaft to one of a first output shaft and a second output shaft that meets each and every limitation of at least claim 11 of the '707 patent.

44. Sentry directly infringes at least claim 11 of the '707 patent by making, using, selling, offering for sale, and/or importing its Sentry Gear Assembly, which meets every limitation of at least claim 11 of the '707 patent within the United States.

45. Sentry had knowledge of the '707 patent no later than its receipt of Latham's November 15, 2022 letter, attached as Exhibit G.

46. Sentry has been aware that it infringes the '707 patent since at least as early as its receipt of Latham's November 15, 2022 letter, attached as Exhibit G.

47. Since learning of the '707 patent and its infringing activities, Sentry has failed to cease its infringing activities.

48. Sentry, without license or authorization to do so, also contributes to or induces the direct infringement of the '707 patent by manufacturing, selling, distributing, offering for sale, or otherwise making available its Gear Assembly to its customers.

49. Sentry indirectly infringes the '707 patent within the United States by inducement under 35 U.S.C. § 271(b). Sentry has knowingly and intentionally induced, and continues to knowingly and intentionally induce others to directly infringe one or more claims of

the '707 patent. Upon information and belief, Sentry does so by providing, either along with or in conjunction with its Gear Assembly, instructions, guides, and/or encouragement to its customers to infringe at least the identified claims of the '707 patent. *See, e.g.*, <https://www.sentrycovers.com/systems>, attached as Exhibit K.

50. Sentry indirectly infringes by contributing to the direct infringement of end users under 35 U.S.C. § 271(c) by providing its Gear Assembly, which is specially made for use in a manner infringing one or more claims of the '707 patent, and is not a staple article of commerce capable of substantial non-infringing uses.

51. Sentry's infringement of the '707 patent is, has been, and continues to be willful, intentional, deliberate, and/or in conscious disregard for Latham's rights under the patent.

52. Latham has been damaged as a result of the infringing conduct alleged above. Sentry is liable to Latham in an amount that compensates Latham for Sentry's infringement, which by law cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

53. Sentry's infringement of Latham's rights will continue to damage Latham, causing irreparable harm for which there is no adequate remedy at law, unless enjoined by this Court.

54. Upon information and belief, such infringement has been, and will continue to be willful, and upon further belief, Sentry lacks any reasonable invalidity or non-infringement defense making this case exceptional and entitling Latham to increased damages and reasonable attorneys' fees pursuant to 35 U.S.C. §§ 284 and 285.

X. COUNT II: INFRINGEMENT OF THE '040 PATENT

55. Latham incorporates by reference the averments of in the preceding paragraphs of this Complaint as though fully set forth here.

56. Sentry, without license or authorization to do so, has directly infringed and is directly infringing one or more claims of the '040 Patent, literally or under the doctrine of equivalents, by making, using, selling, offering for sale, and/or importing its Sentry Encapsulation Assembly within the United States, in violation of 35 U.S.C. § 271(a).

57. As set forth in the nonlimiting claim chart attached as Exhibit E, Sentry's Encapsulation Assembly is a pool encapsulation assembly that meets each and every limitation of at least claim 11 of the '040 patent.

58. Sentry directly infringes at least claim 11 of the '040 patent by making, using, selling, offering for sale, and/or importing its Sentry Encapsulation Assembly, which meets every limitation of at least claim 11 of the '040 patent, within the United States.

59. Sentry had knowledge of the '040 patent no later than its receipt of Latham's November 15, 2022 letter, attached as Exhibit G.

60. Sentry has been aware that it infringes the '040 patent since at least as early as its receipt of Latham's November 15, 2022 letter, attached as Exhibit G.

61. Since learning of the '040 patent and its infringing activities, Sentry has failed to cease its infringing activities.

62. Sentry, without license or authorization to do so, also contributes to or induces the direct infringement of the '040 patent by manufacturing, selling, distributing, offering for sale, or otherwise making available its Encapsulation Assembly to its customers.

63. Sentry indirectly infringes the '040 patent within the United States by inducement under 35 U.S.C. § 271(b). Sentry has knowingly and intentionally induced, and continues to knowingly and intentionally induce others to directly infringe one or more claims of the '040 patent. Upon information and belief, Sentry does so by providing, either along with or in conjunction with its Encapsulation Assembly, instructions, guides, and/or encouragement to its customers to infringe at least the identified claims of the '040 patent. *See, e.g.*, <https://www.sentrycovers.com/systems>, attached as Exhibit K.

64. Sentry indirectly infringes by contributing to the direct infringement of end users under 35 U.S.C. § 271(c) by providing its Encapsulation Assembly, which is specially made for use in a manner infringing one or more claims of the '040 patent, and is not a staple article of commerce capable of substantial non-infringing uses.

65. Sentry's infringement of the '040 patent is, has been, and continues to be willful, intentional, deliberate, and/or in conscious disregard for Latham's rights under the patent.

66. Latham has been damaged as a result of the infringing conduct alleged above. Sentry is liable to Latham in an amount that compensates Latham for Sentry's infringement, which by law cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

67. Sentry's infringement of Latham's rights will continue to damage Latham, causing irreparable harm for which there is no adequate remedy at law, unless enjoined by this Court.

68. Upon information and belief, such infringement has been, and will continue to be willful, and upon further belief, Sentry lacks any reasonable invalidity or non-infringement

defense making this case exceptional and entitling Latham to increased damages and reasonable attorneys' fees pursuant to 35 U.S.C. §§ 284 and 285.

XI. COUNT III: INFRINGEMENT OF THE '419 PATENT

69. Latham incorporates by reference the averments of the preceding paragraphs of this Complaint as though fully set forth here.

70. Sentry, without license or authorization to do so, has directly infringed and is directly infringing one or more claims of the '419 patent, literally or under the doctrine of equivalents, by making, using, selling, offering for sale, and/or importing its Sentry Encapsulation Assembly within the United States, in violation of 35 U.S.C. § 271(a).

71. As set forth in the nonlimiting claim chart attached as Exhibit F, Sentry's Encapsulation Assembly is a pool encapsulation assembly that meets each and every limitation of at least claim 11 of the '419 patent.

72. Sentry directly infringes at least claim 11 of the '419 patent by making, using, selling, offering for sale, and/or importing its Sentry Encapsulation Assembly, which meets every limitation of at least claim 11 of the '419 patent, within the United States.

73. Sentry had knowledge of the '419 patent no later than its receipt of Latham's July 24, 2023 letter, attached as Exhibit I.

74. Sentry has been aware that it infringes the '419 patent since at least as early as its receipt of Latham's July 24, 2023 letter, attached as Exhibit I.

75. Since learning of the '419 patent and its infringing activities, Sentry has failed to cease its infringing activities.

76. Sentry, without license or authorization to do so, also contributes to or induces the direct infringement of the '419 patent by manufacturing, selling, distributing, offering for sale, or otherwise making available its Encapsulation Assembly to its customers.

77. Sentry indirectly infringes the '419 patent within the United States by inducement under 35 U.S.C. § 271(b). Sentry has knowingly and intentionally induced, and continues to knowingly and intentionally induce others to directly infringe one or more claims of the '419 patent. Upon information and belief, Sentry does so by providing, either along with or in conjunction with its Encapsulation Assembly, instructions, guides, and/or encouragement to its customers to infringe at least the identified claims of the '419 patent. *See, e.g.*, <https://www.sentrycovers.com/systems>, attached as Exhibit K.

78. Sentry indirectly infringes by contributing to the direct infringement of end users under 35 U.S.C. § 271(c) by providing its Encapsulation Assembly, which is specially made for use in a manner infringing one or more claims of the '419 patent, and is not a staple article of commerce capable of substantial non-infringing uses.

79. Sentry's infringement of the '419 patent is, has been, and continues to be willful, intentional, deliberate, and/or in conscious disregard for Latham's rights under the patent.

80. Latham has been damaged as a result of the infringing conduct alleged above. Sentry is liable to Latham in an amount that compensates Latham for Sentry's infringement, which by law cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

81. Because Sentry knows and at all relevant times has known of its infringement of the '419 patent or at the very least has been willfully blind to its infringement of the '419 patent, its infringement is deliberate and willful.

82. Sentry's infringement of Latham's rights will continue to damage Latham, causing irreparable harm for which there is no adequate remedy at law, unless enjoined by this Court.

83. Upon information and belief, such infringement has been, and will continue to be willful, and upon further belief, Sentry lacks any reasonable invalidity or non-infringement defense making this case exceptional and entitling Latham to increased damages and reasonable attorneys' fees pursuant to 35 U.S.C. §§ 284 and 285.

JURY DEMAND

84. Latham respectfully requests a trial by jury on all issues properly heard by a jury pursuant to the Seventh Amendment of the United States Constitution.

PRAYER FOR RELIEF

85. Latham respectfully requests that the Court find in its favor and against the Defendant, and that the Court grant Latham the following relief:

a. A judgment in favor of Latham that Defendant infringed one or more claims of the '707 patent, '040 patent, and the '419 patent, directly, jointly, and/or indirectly, by way of inducing and/or contributing to the infringement of the '707 patent, '040 patent, and the '419 patent;

b. A permanent injunction pursuant to 35 U.S.C. § 283, enjoining Defendant and its officers, directors, agents, servants, affiliates, employees, divisions, branches, subsidiaries, parents, and all others acting in active concert therewith from infringing, inducing the infringement of, or contributing to the infringement of the '707 patent, '040 patent, and '419 patent, or such other equitable relief the Court determines is warranted;

c. An award to Latham of damages adequate to compensate Latham for the Defendant's acts of infringement together with pre-judgment and post-judgment interest pursuant to 35 U.S.C. § 284;

d. That the Court find Defendant's acts of infringement willful and award treble damages for such willful infringement pursuant to 35 U.S.C. § 284;

e. That the Court declare this to be an exceptional case and award Latham its reasonable attorneys' fees and costs in accordance with 35 U.S.C. § 285; and

f. Any further relief that the Court deems just and proper.

DATED: April 18, 2024

Respectfully submitted,

/s/ Sarah E. Waidelich

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