

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

SHENZHEN YIHONG TECHNOLOGY CO.,
LTD., dba VTOPMART
Room B610, Building 1, Internet Base Park A,
Baoyuan Rd., Bao'an District, Shenzhen City,
Guangdong Province, China 518000

Plaintiff,

v.

INTERDESIGN, INC., dba iDESIGN
c/o 2112 East Ohio Service Corp.,
Registered Agent
200 Public Square, Suite 3000
Cleveland, OH 44114

Defendant.

CASE NO. 1:24-CV-699

JUDGE

COMPLAINT

**Declaratory Judgment for Patent
Unenforceability, Invalidity, Non-
Infringement**

(Jury Demand Endorsed Hereon)

Plaintiff, Shenzhen Yihong Technology Co., Ltd., dba Vtopmart (“Vtopmart” or “Plaintiff”), for its Complaint against Defendant, InterDesign, Inc., dba iDesign (“iDesign” or “Defendant”), hereby alleges as follows:

NATURE OF THE ACTION

1. This is an action for declaratory judgment that a certain United States patent is unenforceable and invalid pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201-02, and the Patent Laws of the United States, 35 U.S.C. § 100 *et seq.*, and for such other relief as the Court deems just and proper.

THE PARTIES

2. Plaintiff, Shenzhen Yihong Technology Co., Ltd., dba Vtopmart, is a limited liability company organized and existing under the laws of the People's Republic of China, having its principal place of business at Room B610, Building 1, Internet Base Park A, Baoyuan Rd., Bao'an District, Shenzhen City, Guangdong Province, China 518000.

3. Defendant, InterDesign, Inc., dba iDesign, is a Corporation for Profit organized and existing under the laws of the State of Ohio, having its principal place of business at 30725 Solon Industrial Pkwy., Solon, OH 44139. Defendant's Registered Agent is 2112 East Ohio Service Corp, at 200 Public Square, Suite 3000, Cleveland, OH 44114.

JURISDICTION AND VENUE

4. This Court has exclusive subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202, and the Patent Laws of the United States, 35 U.S.C. § 1 *et. seq.*

5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391.

6. This Court has personal jurisdiction over Defendant based at least upon Defendant's organization as a corporation under the laws of the State of Ohio.

7. This Court has subject matter jurisdiction over this action based on a real, justiciable, and immediate controversy between Plaintiff and Defendant regarding whether Plaintiff's product infringes a certain patent alleged by Defendant, and further whether that patent is unenforceable and invalid. *See* Exhibit A.

THE SUBMARINE PATENT APPLICATION

8. "Congress crafted patent laws to balance the interests of the patentee with the interest of the public. The Patent Act balances these competing interests by creating a limited duration monopoly for the patentee in exchange for complete disclosure of the patented subject

matter to the public. Those seeking a limited monopoly on their invention must go through a prosecution period during which the PTO determines if the application involves patentable subject matter. During prosecution, the PTO may reject certain claims of the patent, and the applicant may then amend these claims in an attempt to satisfy the PTO's concerns and ultimately obtain a patent for the invention." Christopher C. Smith, *The Submarine Defense System Misfires: Patent Prosecution Laches After Symbol Technologies*, 40 Gonz. L. Rev. 235, 238 (2005).

9. "For a fee, an applicant can purchase a continuation application, which extends the period of prosecution. This additional prosecution time allows for a longer, more detailed dialogue between the PTO examiner and the applicant." *Id.*

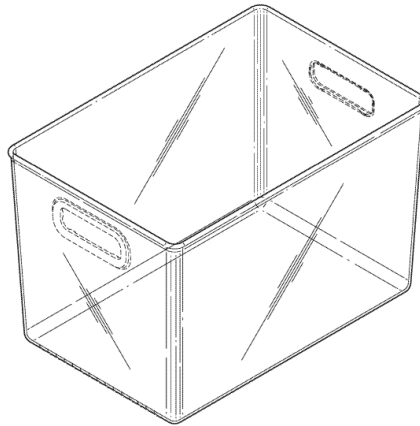
10. "A 'submarine' patent takes advantage of this type of continuing application by prolonging the issuance of the patent until a more desirable time. In such a situation, the applicant will **manipulate the process by filing overly broad claims and then continually amending the claims until that point in time when the applicant actually wants to have the patent issued. Typically, an applicant will delay until the patent has reached its peak commercial value.** After an extended delay, said patent will then surface without warning from the depths of the PTO, much like a submarine emerges from the depths of the ocean, to render other inventors' work unpatentable and infringing." *Id.* (emphasis added).

11. This is exactly what Defendant did in this case with the Patent-in-Suit here.

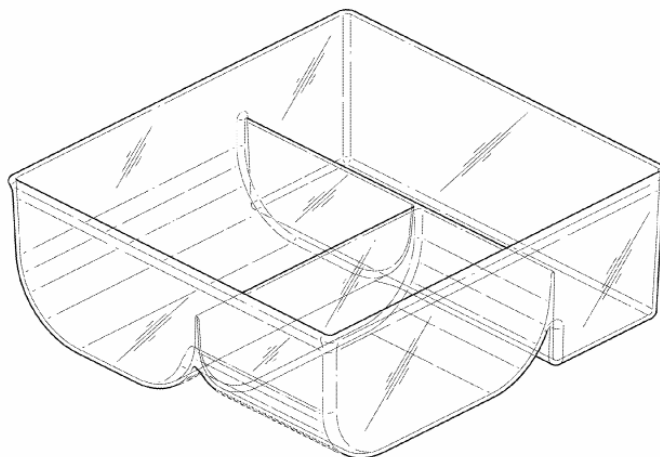
12. This is exactly what the Defendant has been doing with basically all its patent applications.

THE FILING HISTORY OF PATENT-IN-SUIT (5-YEAR DELAY)

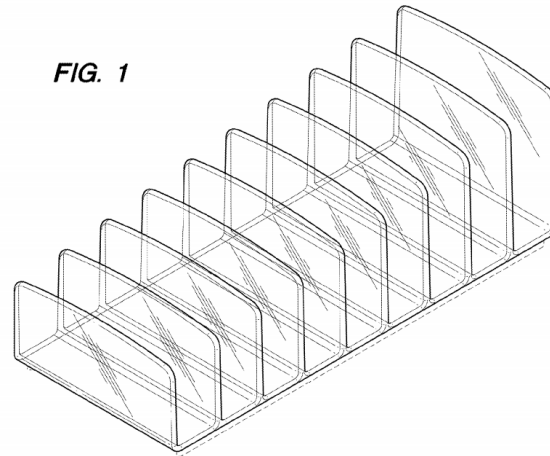
13. Defendant purports to be the owner of a US design patent with Patent No. D1,020,293 (“’293 Patent” or “Patent-in-Suit”), allegedly “the Ornamental design for a bin, as shown and described.” *See* Exhibit B.



14. The ’293 Patent is a continuation filing of Patent Application No. 29/750,965, filed on September 17, 2020, which is now a registered patent with Patent No. D976,588 (“’588 Patent”). *See* Exhibit C.



15. The '588 Patent is a continuation filing of Patent Application No. 29/635,457, filed on February 15, 2018, which is now a registered patent with Patent No. D898,116 ("116 Patent"). See Exhibit D.



16. When Defendant filed its patent application for the '116 Patent, it submitted the application with 319 drawing sheets/figures. See Exhibit E.

17. In 2018, when the Defendant filed its '116 Patent application, it selected the ornamental design of Fig. 083 for its patent application.

18. In 2020, when the Defendant filed its continuation patent application for the '588 Patent, it chose the ornamental design of Figs. 330-332.

19. In 2023, when the Defendant filed its continuation patent application for the '293 Patent, Defendant selected the ornamental design of Figs. 272-292.

THE FILING HISTORY OF DEFENDANT'S OTHER PATENT (6-YEAR DELAY)

20. The Patent-in-Suit is not the only example of Defendant's unreasonable and unexplained delay in prosecuting its Patent.

21. Upon information and belief, all the Defendant's Patent Applications follow the exact same practice, which includes including hundreds of figures (representing dozens of different

designs) in the Patent Application document. The Defendant then files a Continuation Application years later for the specific design that achieved commercial success in the market by third parties like the Plaintiff.

22. For example: Defendant filed a Patent Application No. 29/437,354 on November 15, 2012. In the Patent Application document provided by the Defendant to the USPTO, Defendant included 297 figs (representing more than 40 different designs).

23. However, Defendant only filed a Patent Application for one design and got patented on November 24, 2015, with Patent No. D743,714. That design is “the ornamental design for mat.”

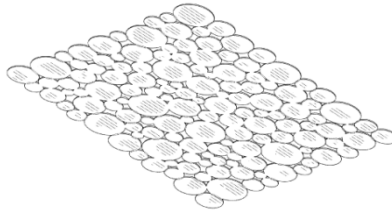


FIG. 1

24. On October 21, 2015, Defendant then filed Patent Application No. 29/543,146 for another design and got patented on October 30, 2018. That design is “the ornamental design for a dispenser.”

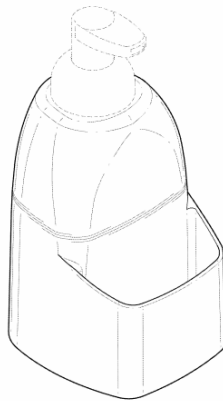


FIG. 1

25. On October 17, 2018, Defendant then filed Patent Application No. 29/666,925 for another design and got patented on September 13, 2022. That design is “the ornamental design for a holder.”

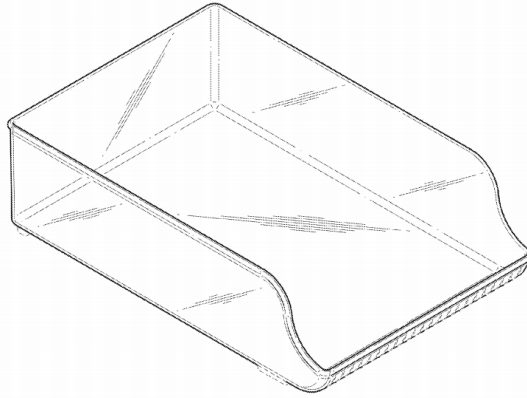


FIG. 1

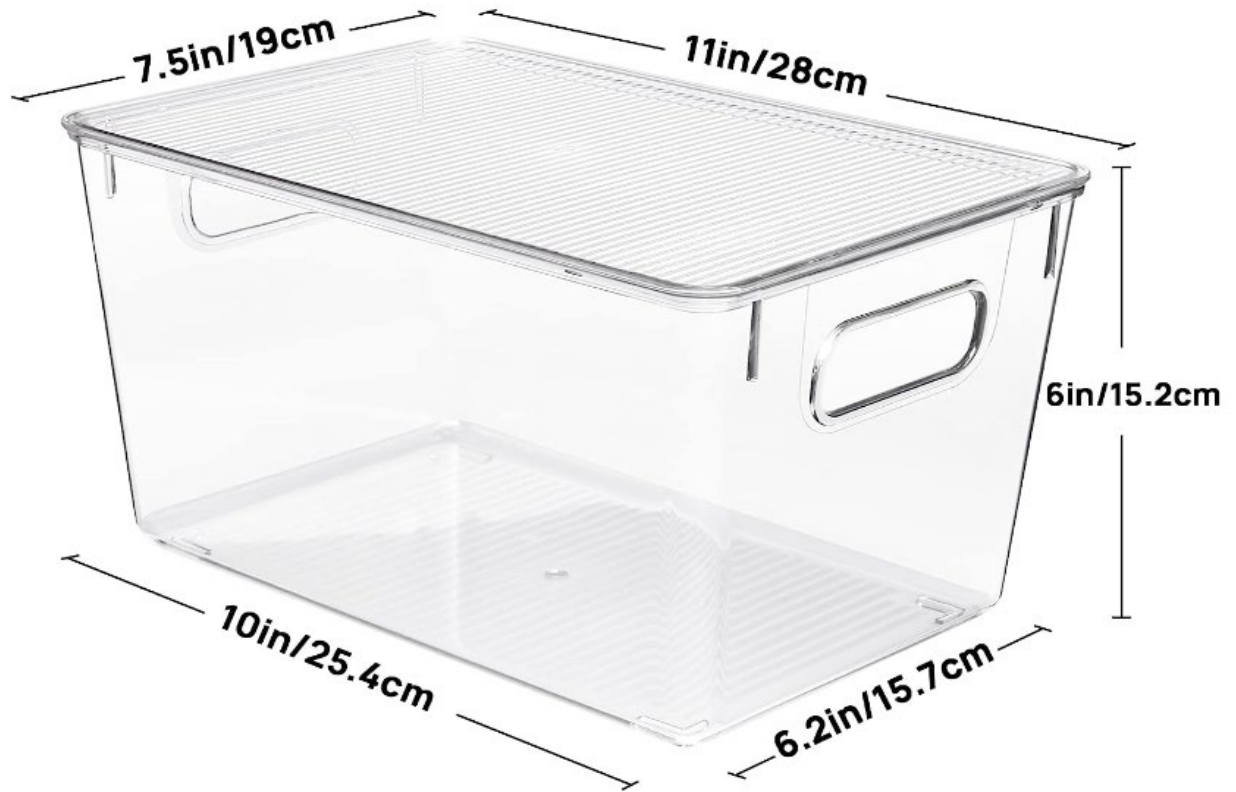
26. On September 8, 2022, Defendant then filed Patent Application No. 29/852,616 for another design which is currently pending review.

27. Even in this year, on March 15, 2024, Defendant filed another Patent Application No. 29/932,878 for another design which is currently pending review.

28. Defendant is still filing Continuation for the 2012 Parent Patent Application No. 29/437,354.

PLAINTIFF’S PRODUCT

29. The product accused of infringement by the Defendant is as follows:



30. This accused product is being sold by the Plaintiff on Amazon under URL: <https://shorturl.at/ckrX0>.

COUNT I
(Declaration That '293 Patent Is Unenforceable)

31. Plaintiff incorporates by reference the allegations set forth above in this Complaint as if fully set forth herein.

32. Prosecution laches may render a patent unenforceable where a patentee's conduct "constitutes an egregious misuse of the statutory patent system." Prosecution laches requires proving two elements: (1) the patentee's delay in prosecution must be unreasonable and inexcusable under the totality of circumstances and (2) the accused infringer must have suffered prejudice attributable to the delay. *Personalized Media Commc'ns, LLC v. Apple Inc.*, 57 F.4th

1346, 1354 (Fed. Cir. 2023), *cert. denied sub nom. Personalized Media Commc'n, LLC v. Apple Inc.*, 144 S. Ct. 290, 217 L. Ed. 2d 132 (2023).

33. Even if Defendant was compliant with the PTO's rules of filing patent applications, Defendant still must also prosecute its applications in an equitable way.

34. Defendant filed U.S. Patent Application No. 29/635,457 on February 15, 2018. Along with the application documents, Defendant included 319 figures, representing at least 50 different designs.

35. Defendant then waited for 5 years until January 23, 2023, to file its Patent Application No. 29/883,016, for which the which the '293 Patent or Patent-in-Suit was granted. Defendant used this patent to accuse the Plaintiff of patent infringement.

36. Defendant intentionally waited until Plaintiff's product reached its peak commercial value before taking legal action.

37. There is overwhelming evidence indicating that the Defendant institutionalized its abuse of the patent system by expressly adopting and implementing dilatory prosecution strategies, not for one or two patent, but for almost all its patent applications, specifically to ambush companies like Plaintiff many years after Defendant filed its applications.

38. There is also overwhelming evidence indicating that the prosecution delay occurred in this case was because of issues Defendant intentionally created.

39. Defendant's unreasonable and unexplained delay in prosecuting these patents has prejudiced Plaintiff who invested in developing, manufacturing, and selling its product on Amazon, during the period of Defendant's unreasonable and unexplained delay.

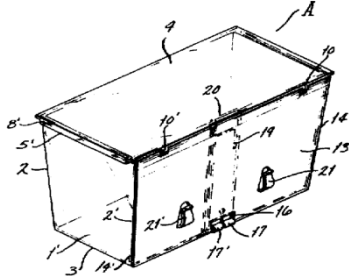
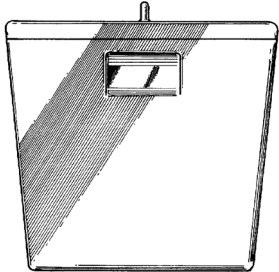
40. To resolve the legal and factual questions raised by Defendant and to afford relief from the uncertainty and controversy that Defendant’s allegations have created, Plaintiff is entitled to a declaratory judgment that ’293 Patent is unenforceable.

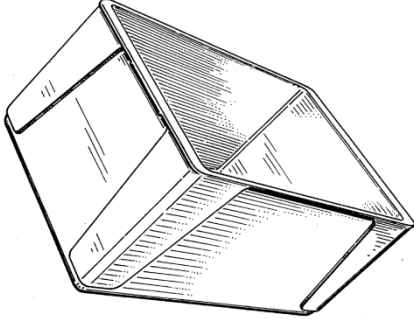
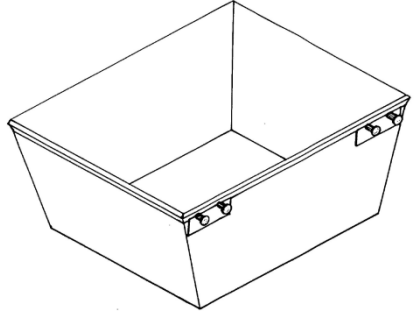
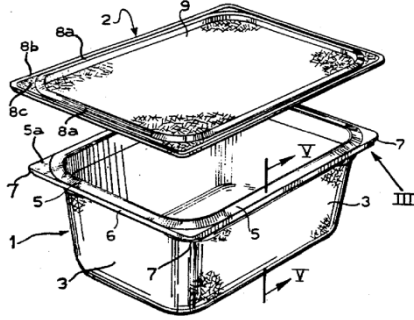
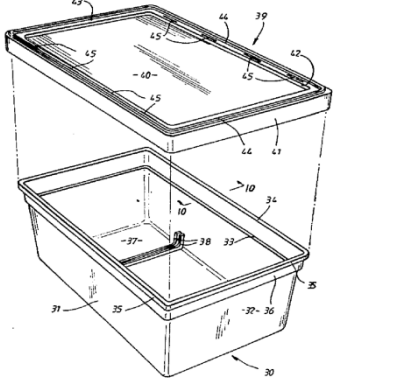
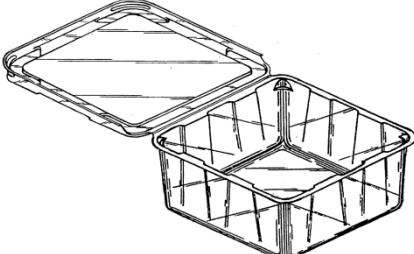
COUNT II
(Declaration That ’293 Patent Is Invalid)

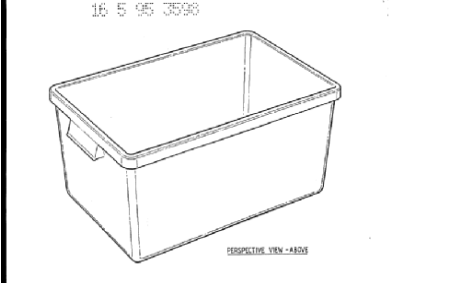
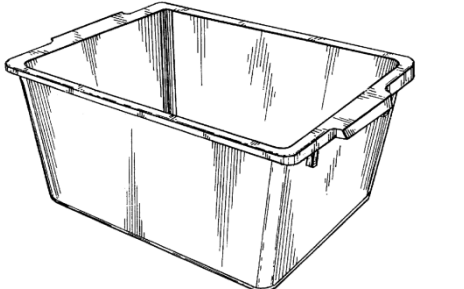
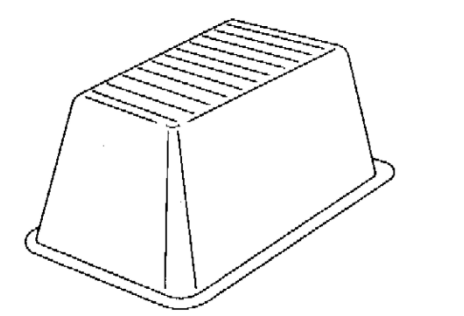
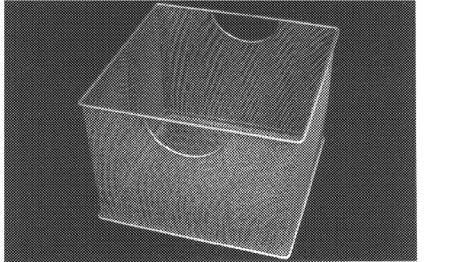
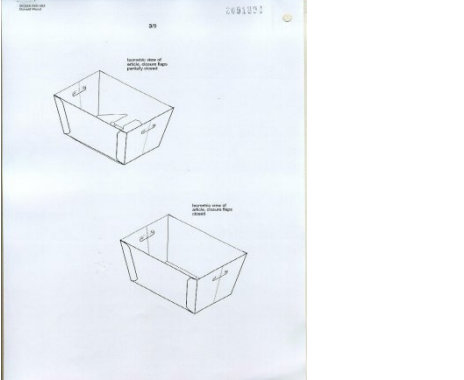
41. Plaintiff incorporates by reference the allegations set forth above in this Complaint as if fully set forth herein.

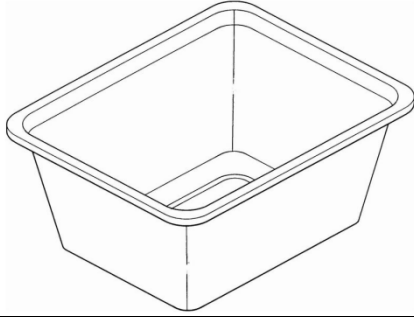
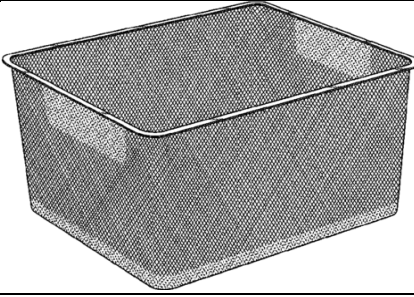
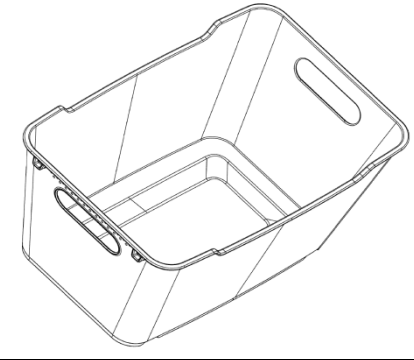
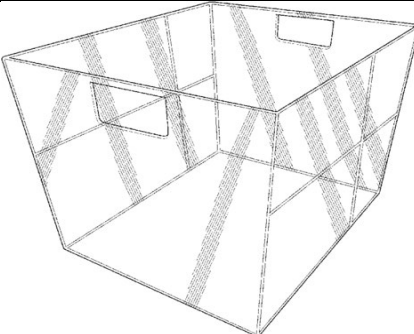
42. The ’293 Patent is invalid for failing to meet one or more of the requisite statutory and decisional requirements and/or conditions for patentability under Title 35 of the United States Code, including without limitation, §§ 101, 102, 103, 112 and 117.

43. For invalidating Defendant’s ’293 Patent, the following prior arts have been located by the Plaintiff.

Patent No.	Title	Publication Date	Pictures
US3874501A	Card holder	1975-04-01	
USD243388S1	Container for newspapers or the like	1977-02-15	

USD251480S1	Storage container	1979-04-03	
AU90724S	Bin	1985-08-01	
US4787527A	Plastics container	1988-11-29	
US4819795A	Package for footwear	1989-04-11	
USD327220S1	Food container	1992-06-23	

AU123697S	A container	1995-05-31	
USD404571S1	Tote box	1999-01-26	
FR19994624001S1	Conditionnement de produit alimentaire	1999-11-12	
USD419302S1	Mesh basket	2000-01-25	
GB2091894S	Set of cartons	2000-07-26	

KR300329240S	1 회용 식품용기	2003-07-22	
USD582161S1	Portion of a mesh basket	2008-12-09	
USD746593S1	Storage box	2016-01-05	
USD780264S1	Organizer	2017-02-28	

44. For example, the '293 Patent is invalid as anticipated under 35 U.S.C. § 102 because the prior arts discussed above disclose the limitations of the claims of the '293 patent as asserted by Defendant.

45. As another example, the '293 patent is invalid as obvious under 35 U.S.C. § 103 because the claims of the '293 patent as asserted by Defendant would have been obvious to one of

ordinary skill in the art in view of the above discussed prior art, either alone or in combination with other prior art.

46. To resolve the legal and factual questions raised by Defendant and to afford relief from the uncertainty and controversy that Defendant's allegations have created, Plaintiff is entitled to a declaratory judgment that the '293 Patent is invalid.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

1. For judgment in favor of Plaintiff against Defendant;
2. Entry of judgment declaring that the '293 Patent is unenforceable;
3. Entry of judgment declaring that the '293 Patent is invalid;
4. Entry of judgment declaring that Plaintiff has not infringed the '293 Patent;
5. A declaration that this action is an exceptional case under 35 U.S.C. § 285, with an award to Plaintiff of its attorneys' fees incurred in filing and prosecuting this action;
and
6. Such other and further relief as this Court may deem just and proper under the circumstances.

Jury Demand

Plaintiff hereby demands a jury trial on all issues so triable.

Respectfully submitted,

/s/ David Sporar

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