# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

MP MATERIALS CORP., MP	)
MINE OPERATIONS LLC, AND	)
SECURE NATURAL RESOURCES	)
LLC	)
	)
PLAINTIFFS.	) C.A. No
	)
V.	) <b>DEMAND FOR JURY TRIAL</b>
	)
NEO WATER TREATMENT LLC,	)

DEFENDANT.

# **COMPLAINT**

Plaintiffs MP Materials Corp., MP Mine Operations LLC and Secure Natural Resources LLC (collectively referred to herein as "MP Materials" or "Plaintiffs") by and through their undersigned attorneys, hereby allege against Defendant Neo Water Treatment LLC ("Neo" or "Defendant") as follows:

## PARTIES

1. MP Materials Corp. is a Delaware corporation, having a principal place of business at 1700 S Pavilion Center Drive, Eighth Floor, Las Vegas, Nevada 89135.

2. Mine Operations LLC is a limited liability company organized under the laws of Delaware and wholly owned by MP Materials Corp.

3. Secure Natural Resources LLC is a limited liability company organized under the laws of Delaware and wholly owned by MP Materials Corp.

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4. Upon information and belief, Neo Water Treatment LLC is a Delaware limited liability company, with registered agent for service of process The Corporation Trust Company, Corporation Trust Center 1209 Orange Street, Wilmington, Delaware 19801.

#### JURISDICTION AND VENUE

5. This is a civil action seeking specific performance and monetary damages, and injunctive relief for, *inter alia*, adjudication of patent rights, conversion, unjust enrichment/constructive trust, patent infringement, correction of inventorship, and trade secret misappropriation.

6. This Court has federal question subject matter jurisdiction under 35 U.S.C. §§ 256, 271, and 281, under 28 U.S.C. § 1331 and 1338(a), and under the Defend Trade Secrets Act of 2016 ("DTSA"), 18 U.S.C. § 1836, *et seq*.

7. This Court has personal jurisdiction over Neo Water Treatment LLC because it is formed under the laws of the State of Delaware.

8. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and (c), and 1400(b).

#### FACTUAL BACKGROUND

9. This complaint is being filed related to certain patents and patent applications, as discussed herein, which have been filed by Neo that, upon information and belief, are in fact based on certain intellectual property owned and developed by Molycorp, Inc., a Delaware corporation ("Molycorp"). As described herein, the claimed inventions in these patents were developed by then-Molycorp employees James Gallman, Pamela Leigh Cornish, Joseph Lupo, and Mason Haneline, and assigned to Molycorp through employee invention assignment agreements.

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10. Upon information and belief, Mr. Haneline and Mr. Gallman currently work for Neo.

11. Upon information and belief, Ms. Cornish previously worked for Neo.

12. Mr. Lupo is currently an employee of MP Mine Operations LLC.

13. In or about 2016, pursuant to a bankruptcy proceeding pursuant to Section 363 of the U.S. Bankruptcy Code, MP Materials (through its subsidiary Secure Natural Resources LLC) acquired the intellectual property that was owned by Molycorp.

14. Following the bankruptcy, Neo filed to obtain and obtained patents based on MP Materials' intellectual property, in violation of the valid and enforceable ownership rights of MP Materials. Specifically, and as described herein, Neo has wrongfully incorporated the Molycorp inventions into its own patents, and is unlawfully holding itself out as the owner of the inventions described in those patents.

15. MP Materials is seeking to enforce its rightful ownership in this intellectual property.

16. MP Mine Operations LLC (a subsidiary of MP Materials Corp.) is the current owner and operator of Mountain Pass, the only integrated rare earth mining and processing site in North America. MP Materials indirectly acquired Mountain Pass (through its wholly owned subsidiary MP Mine Operations LLC) after the site's previous owner experienced severe operational and financial challenges.

17. In 2017, MP Materials restarted production at Mountain Pass, and embarked on an ambitious plan to restore the full rare earth supply chain to the United States. Since restarting operations, MP Materials has overcome the operational challenges faced by the site's previous owner and dramatically scaled up production at Mountain Pass.

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18. In 2023, MP Materials produced 41,557 mt of rare earths in concentrate, an all-time high in the 72-year history of Mountain Pass. In 2023, MP Materials began producing separated NdPr, cerium, and lanthanum products at Mountain Pass, in addition to SEG+ heavy rare earth concentrate. Today, Mountain Pass is North America's only scaled rare earth mine and separations facility.

19. The immediate former owner of Mountain Pass was Molycorp. On June 25, 2015, Molycorp and twenty of its affiliates filed for Chapter 11 protection in Delaware. An organizational chart submitted in the bankruptcy proceedings, attached hereto as <u>Exhibit A</u> [D.I. 1505-1], depicts the debtor entities outlined in red. The proposed reorganization involved splitting the Molycorp assets between Molycorp "Neo" entities and Molycorp "Legacy" entities. (*Id.*)

20. During the bankruptcy proceedings, the court approved a bidding process to sell the rights, equipment, operations, intellectual property, and know-how associated with Mountain Pass; assets owned by the Molycorp "Legacy" entities. (*See* **Exhibit B** [D.I. 1095].)

21. MP Materials was the successful bidder, and purchased, *inter alia*, certain Mountain Pass intellectual property and know-how. (*See Exhibit C* [Doc 1495].) The sale was approved on April 5, 2016. (*See Exhibit D* [D.I. 1559].)

22. The plan of reorganization was confirmed by the Bankruptcy Court on April 8,
2016. (*See Exhibit E* [D.I. 1580].)

23. On April 15, 2016, MP Materials (through its wholly-owned subsidiary, Secure Natural Resources LLC) entered into an Asset Purchase Agreement with Molycorp Minerals LLC and certain other affiliates. Attached hereto as **Exhibit F** is a copy of the April 15, 2016 Asset Purchase Agreement (hereafter, "APA").

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24. As of the closing date of the APA, Molycorp assigned, and MP Materials acquired, certain Purchased Assets, including certain Purchased Intellectual Property. (*See* Ex. F (APA), Section 2.1). The APA included an express assignment of all Intellectual Property and associated goodwill, "related to the design, development, marketing and sale of rare earth-based products for the removal of contaminants from water, including SorbX<sup>TM</sup> and PhosFIX<sup>TM</sup> trademarks."

25. The APA defined "Intellectual Property" broadly, including "confidential and/or non-public and proprietary information, including trade secrets, confidential business information, ideas, concepts, methods, processes, formulae, reports, data, research and development, customer and supplier lists, pricing and cost information, business and marketing plans and proposals, and know-how ("Trade Secrets")." (Ex. F (APA) at Section 1.1.)

26. Molycorp and the other sellers agreed to maintain the confidentiality of the Trade Secret information. (Ex. F (APA) at Section 8.7.) Specifically, the Sellers agreed that "all non-public information relating to the Purchased Assets" would be "valuable and proprietary to Purchaser and its Affiliates," and that from and after the closing date, no Seller would disclose the Purchased Assets to any persons. (*Id.*)

27. Accordingly, by the plain language of the APA, MP Materials acquired all intellectual property, including confidential, proprietary and trade secret information, relating to the design, development, marketing, and sale of rare earth products for the removal of contaminants from water, including the SorbX product that Molycorp was developing and testing at the time.

28. Included among the information that MP Materials acquired was Molycorp's confidential and proprietary design, development, and testing information relating to its SorbX product.

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29. Specifically, Molycorp employees had begun trials in January 2016 to evaluate the effectiveness of SorbX in treating wastewater ("the Dannon SorbX trial"). After a little over a month of gathering control data, Molycorp employees began dosing wastewater with SorbX on February 6, 2016. Daily data collected by the Molycorp employees during the Dannon SorbX trial showed that dosing the wastewater with SorbX provided a certain carbon:phosphorous (C:P) ratio.

30. Molycorp employees had also lab tested the impact of SorbX with membranes to understand the interaction with membrane bioreactors at dosage rates high enough to lower final phosphate concentration to meet regulatory discharge limits.

31. Upon information and belief, four of the Molycorp employees that worked on the development of the SorbX product were Joseph Lupo, James Gallman, Pamela Leigh Cornish, and Mason Haneline.

32. Upon information and belief at Molycorp, Joseph Lupo was the Product Development Manager, and his staff included Mason Haneline. They worked together at the Mountain Pass mine, including in activities related to the research and development of the SorbX trials, and particularly in the design of experiments, brainstorming new applications, and running pilot trials that used cerium chloride in water treatment applications.

33. Upon information and belief, every employee of Molycorp was required to sign a confidentiality and non-disclosure agreement as a condition of their employment. (*See Exhibit G* [2008 Molycorp Minerals LLC Employee Guidebook], at 9.)

34. Upon information and belief, Molycorp employees were informed that "confidential information" included, inter alia, "discoveries, development initiatives, resource and reserve data and information," "plans, processes and practices relating to the existence of, exploration for, or the development of products, ores, minerals or natural resources of any kind,"

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"product research, product specifications, product requirements or other product information, and Company processes," and "any other information having present or potential commercial value." (Ex. G [2008 Molycorp Minerals LLC Employee Guidebook], at 8.)

35. A copy of Molycorp's form Employee Confidentiality and Proprietary Rights Agreement is attached hereto as **Exhibit H** ("ECPRA"). Based on the provisions of the ECPRA, MP Materials is informed and believes that, by signing the ECPRA, Molycorp employees agreed to maintain the confidentiality of Molycorp's confidential, secret, and proprietary information both during and after their employment with Molycorp. (*See* Ex. H (ECPRA), Section 1(c)].

36. Upon information and belief, each of Mason Haneline, James Gallmann, and Pamela Leigh Cornish signed the ECPRA when they were hired by Molycorp and continued to be bound by the ECPRA while working on the Dannon SorbX trial.

37. Upon information and belief, Mr. Gallmann ceased his employment with Molycorp as of the closing date of the APA and was subsequently employed by Neo.

38. Upon information and belief, Ms. Cornish ceased her employment with Molycorp as of the closing date of the APA and was subsequently employed by Neo.

39. Mr. Lupo is a current employee of MP Materials.

40. Upon information and belief, Mr. Haneline ceased his employment with Molycorp as of the closing date of the APA and was subsequently employed by Neo.

#### U.S. PATENT NO. 10,988,395 AND RELATED PATENTS AND APPLICATIONS

36. Attached hereto as <u>Exhibit I</u> is a true and correct copy of U.S. Patent No. 10,988,395 ("the '395 Patent").

37. Upon information and belief, at the time of filing, Neo Chemicals & Oxides, LLC was the original assignee of the '395 Patent.

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38. Upon information and belief, Neo Water Treatment, LLC is the current assignee of the '395 Patent.

39. Upon information and belief, Mr. Haneline and Ms. Cornish are the named inventors of the '395 Patent. (*See* Ex. I ('395 Patent) at 1.)

40. Upon information and belief, the utility patent application that led to the '395 Patent was filed on September 24, 2019, and claimed priority to a provisional patent application filed September 25, 2018, and the '395 Patent issued on April 27, 2021. (*See* Ex. I ('395 Patent) at 1.)

41. Upon information and belief, Mr. Haneline and Ms. Cornish were employees of Neo Chemicals & Oxides, LLC at the time that the provisional patent application and the utility patent application for the '395 Patent was filed.

42. The earliest date by which MP Materials could have known of the '395 Patent was on the date that it issued, *i.e.* April 27, 2021.

43. Upon information and belief, independent claims 1 and 22 of the '395 Patent disclose the use of a cerium (Ce) and lanthanum (Le) salt solution in conjunction with a membrane bioreactor to treat wastewater while removing phosphorous waste.

44. Upon information and belief, Molycorp was already in possession of trade secret information regarding the impact of SorbX with membranes to understand the interaction with membrane bioreactors at dosage rates high enough to lower final phosphate concentration to meet regulatory discharge limits, as claimed in the '395 Patent, and the same formed part of Molycorp's proprietary confidential trade secret information that was acquired by MP Materials through the assignment of Molycorp's intellectual property by the operation of the APA.

45. Accordingly, the claimed invention of the '395 Patent is in fact a trade secret of Molycorp. Moreover, because the technology that resulted in the inventions claimed in the '161

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Patent (defined below) was not listed in the Excluded Downstream Intellectual Property in the APA or assigned to Neo out of the Molycorp bankruptcy, the inventions of the '395 Patent formed part of the Purchased Intellectual Property acquired by MP Materials under the operative terms of the APA.

46. Therefore, since the technology that resulted in the inventions claimed in the '395 Patent was assigned to MP Materials, MP Materials owns the rights to the same.

47. Attached hereto as **Exhibit J** is a true and correct copy of U.S. Patent No. 11,530,148 ("the '148 Patent").

48. Upon information and belief, Neo Water Treatment LLC is also the current assignee of the '148 Patent. (*See* Ex. J ('148 Patent) at 1.)

49. The '148 Patent is a continuation application claiming priority to the '395 Patent and discloses the identical subject matter as the '395 Patent.

50. Because the '148 Patent discloses identical subject matter as in the '395 Patent, the technology that resulted in the inventions claimed in the '148 Patent was assigned to MP Materials, MP Materials owns the rights to the same.

51. Upon information and belief, Neo is currently offering for sale and selling the WaterFX product. Attached hereto is a true and correct copy of Neo's advertising of its WaterFX product, which is described as a "lanthanide solution" that "has successfully removed phosphorous in … membrane bioreactors (MBRs)." (*See* **Exhibit K** [WaterFx brochure].)

52. Based on Neo's statements, including in the WaterFX brochure, MP Materials is informed and believes that Neo is practicing at least claim 1 of the '395 Patent.

#### U.S. PATENT NO. 11,111,161 AND RELATED PATENTS AND APPLICATIONS

41. Attached hereto as <u>Exhibit L</u> is a true and correct copy of U.S. Patent No.
11,111,161 ("the '161 Patent").

42. Upon information and belief, at the time of filing, Neo Chemicals & Oxides, LLC was the assignee of the '161 Patent.

43. Upon information and belief, Neo Water Treatment LLC is the current assignee of the '161 Patent. (*See* Ex. L ('161 Patent) at 1.)

44. Upon information and belief, Mr. Haneline and Mr. Gallman are the named inventors on the '161 Patent. (*See* Ex. L ('161 Patent) at 1.)

45. Upon information and belief, the utility patent application that led to the '161 Patent was filed on November 1, 2018, and claimed priority to provisional patent applications filed November 1, 2017 and November 21, 2017 and the '161 Patent issued on September 7, 2021. (*See* Ex. L ('161 Patent) at 1.)

46. Upon information and belief, Messrs. Haneline and Gallman were employees of Neo Chemicals & Oxides LLC at the time that the provisional patent applications and the utility patent application for the '161 Patent was filed.

47. The earliest date by which MP Materials could have known of the '161 Patent was on the date that it issued, *i.e.*, September 7, 2021.

48. Upon information and belief, independent claims 1, 18 and 20 of the '161 Patent disclose a method of treating wastewater while maintaining a specifically disclosed ratio of C:P using cerium (Ce) and lanthanum (Le).

49. Upon information and belief, Molycorp was already in possession of that invention claimed in the '161 Patent and the same formed part of Molycorp's proprietary confidential trade

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secret information that was acquired by MP Materials through the assignment of Molycorp's intellectual property by the operation of the APA.

50. Accordingly, the claimed invention of the '161 Patent is in fact a trade secret that Molycorp had previously assigned to MP Materials, and MP Materials owns the rights to the same.

51. Upon information and belief, Neo disclosed the claimed invention of the '161 Patent at least as early as the filing date of the application that eventually issued as the '161 Patent.

52. Because the technology that resulted in the inventions claimed in the '161 Patent was not listed in the Excluded Downstream Intellectual Property in the APA or assigned to Neo out of the Molycorp bankruptcy, the inventions of the '161 Patent formed part of the Purchased Intellectual Property acquired by MP Materials under the operative terms of the APA.

53. Therefore, since the technology that resulted in the inventions claimed in the '161 Patent was assigned to MP Materials, MP Materials owns the rights to the same.

54. Attached hereto as <u>Exhibit M</u> is a true and correct copy of U.S. Patent No. 11,713,262 ("the '262 Patent").

55. Upon information and belief, Neo Water Treatment LLC is the assignee of the '262 Patent. (*See* Ex. M ('262 Patent) at 1.)

56. The '262 Patent is a continuation application claiming priority to the '161 Patent, and discloses the identical subject matter as the '161 Patent.

57. Because the '262 Patent discloses identical subject matter as in the '161 Patent, the technology that resulted in the inventions claimed in the '262 Patent was assigned to MP Materials, MP Materials owns the rights to the same.

# <u>FIRST CAUSE OF ACTION</u> (Assignment of U.S. Patent No. 10,988,395 and Related Patents to MP Materials)

58. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-57 of this Complaint as if set forth fully herein.

59. While employed at Molycorp, Mr. Haneline and Ms. Cornish (together with at least Mr. Lupo) conceived, made, and developed certain trade secrets relating to the SorbX product, specifically in relation to adding a mixed rare earth chloride to a wastewater stream containing a concentration of phosphorous, and then passing that stream through a membrane bioreactor to provide a clarified stream having a concentration of phosphorous lower than the wastewater stream.

60. By the operation of law, all rights, title, and interest to these inventions were automatically assigned to Molycorp and were transferred to MP Materials under the operation of the APA.

61. Thereafter, Neo submitted applications to the Patent and Trademark Office that disclosed the trade secrets that Mr. Haneline and Ms. Cornish (together with at least Mr. Lupo) had conceived, made, and developed while employed at Molycorp.

62. Because MP Materials owns all rights, title and interest to those inventions, it is the true owner of the '395 Patent, the '148 Patent and all continuation patent applications that are pending thereon.

63. Accordingly, MP Materials is entitled to an order specifically directing Neo to assign and perfect all rights, title, and interest in the '395 Patent, the '148 Patent, and all continuation patent applications that are pending thereon, to MP Materials.

# SECOND CAUSE OF ACTION (Assignment of U.S. Patent No. 11,111,161 and Related Patents to MP Materials)

64. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-63 of this Complaint as if set forth fully herein.

65. While employed at Molycorp, Mr. Haneline and Mr. Gallman (together with at least Mr. Lupo) conceived, made, and developed certain trade secrets relating to the SorbX product, which included C:P ratios useful in removing phosphorous from wastewater using a clarifying agent of chloride salts of Ce/La.

66. By the operation of law, all rights, title, and interest to these trade secrets were automatically assigned to Molycorp and were transferred to MP Materials under the operation of the APA.

67. Thereafter, Neo submitted applications to the Patent and Trademark Office that disclosed the trade secrets that Mr. Haneline and Mr. Gallman (together with at least Mr. Lupo) had conceived, made, and developed while employed at Molycorp.

68. Because MP Materials owns all rights, title and interest to those inventions, it is the true owner of the '161 Patent, the '262 Patent and all continuation patent applications pending thereon.

69. Accordingly, MP Materials is entitled to an order specifically directing Neo to assign and perfect all rights, title, and interest in the '161 Patent, the '262 Patent and all continuation patent applications pending thereon, to MP Materials.

# THIRD CAUSE OF ACTION (Conversion)

70. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-69 of this Complaint as if set forth fully herein.

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71. Through the operation of the Molycorp ECPRA and the APA, MP Materials is the owner of the valuable intellectual property that has been misappropriated and is being misused by Neo, including the inventions and trade secrets conceived, made, and developed by Mr. Haneline, Ms. Cornish, and Mr. Gallman (together with at least Mr. Lupo) relating to the SorbX product.

72. MP Materials has the exclusive right to possession of the inventions and trade secrets conceived, made, and developed by Mr. Haneline, Ms. Cornish, and Mr. Gallman (together with at least Mr. Lupo) relating to the SorbX product, including the subject matter of the claims of the '395 Patent, the '161 Patent, and each of the patents and patent applications claiming priority thereto.

73. Neo has converted this property by a series of wrongful acts. In particular, this property was converted by adopting the inventions developed at Molycorp as its own and utilizing the same to prosecute patent applications for itself, including the '395 Patent and all patents and patent applications claiming priority thereto; and by misappropriating certain Molycorp's trade secrets and utilizing the same to prosecute patent applications for itself, including the '161 Patent and all patents and patent applications claiming priority thereto.

74. By converting the trade secrets and inventions that should have been exclusively owned by MP Materials, Neo has caused great damage to MP Materials. Neo's use of MP Materials' inventions and trade secret information has caused MP Materials to lose thousands of dollars in sales or potential licensing revenues and has caused MP Materials irreparable harm.

75. Neo is continuing to convert MP Materials' property by continuing to prosecute patents and market its own products that incorporate inventions misappropriated from MP Materials.

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76. By reason of the foregoing, MP Materials has been damaged by Neo's conversion in an amount to be determined at trial.

77. Neo's conduct has been willful, oppressive and malicious and done with intent to injure MP Materials and deprive MP Materials of its property and legal rights. MP Materials is therefore entitled to exemplary and punitive damages in an amount sufficient to punish Neo and deter future wrongful conduct.

## <u>FOURTH CAUSE OF ACTION</u> (Unjust Enrichment/Constructive Trust)

78. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-77 of this Complaint as if set forth fully herein.

79. Neo has received a benefit from MP Materials as a result of Neo's acquisition, retention, and ongoing use of inventions and trade secrets information that properly belongs to MP Materials.

80. The receipt of these benefits has been enormously valuable to Neo. As a result of the use of MP Materials' inventions and trade secrets in Neo's patent applications, as well as the result of the creation and development of products based on MP Materials' inventions, Neo has generated profits as a business and has and obtained a patent-based monopoly to assert against Neo's competitors.

81. Neo's retention of these benefits is manifestly unjust and is at the expense of MP Materials. All of these benefits, including the inventions conceived by each of Mr. Haneline, Mr. Gallman, and Ms. Cornish (together with at least Mr. Lupo) while employed at Molycorp, are owned by MP Materials pursuant to the Molycorp ECPRA and the APA. Since these inventions and trade secrets should have been exclusively assigned to MP Materials under the APA, any retention of these inventions would be unjust.

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82. By virtue of the illegal activities as alleged herein, Neo holds certain property as a constructive trustee for MP Materials' benefit, including but not limited to the following:

a. The inventions claimed in the '395 Patent, the '161 Patent, the '148 Patent, the '262 Patent and all patents claiming priority thereto;

b. All profits, royalties, and other benefits resulting from the exploitation of the inventions claimed and/or disclosed in claimed in the '395 Patent, the '161 Patent, the '148 Patent, the '262 Patent and all patents claiming priority thereto, including all profits and royalties resulting from the manufacture, sale, distribution, and marketing of each version of Neo's products;

c. All products that incorporate the inventions conceived, made, and developed by Mr. Haneline, Ms. Cornish, and Mr. Gallman, including those relating to the SorbX product while at Molycorp;

d. Any United States or foreign patents or patent applications that claim priority to the '395 Patent, the '161 Patent and/or that are supported by the disclosures in those patents; and

e. The confidential, proprietary and trade secret information that was misappropriated from MP Materials by Neo.

## **<u>FIFTH CAUSE OF ACTION</u>** (Infringement of the '395 Patent)

83. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-82 of this Complaint as if set forth fully herein.

84. MP Materials is the owner of the '395 Patent because, among other reasons, the inventions disclosed in the '395 Patent were previously assigned to MP Materials pursuant to the APA.

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85. Through its prosecution activities, Neo is clearly aware of the claims of the '395 Patent.

86. Neo has been and still is infringing the '395 Patent by making, using, selling, distributing the WaterFX product, knowing that the same directly infringes at least claim 1 of the '395 Patent. Because MP Materials is the true owner of the '395 Patent, these acts by Neo constitute infringement of the '395 Patent in violation of at least 35 U.S.C. § 271(a).

87. Neo has been and still is actively inducing others to infringe the '395 Patent by marketing, offering for sale, and selling, for example, the WaterFX products, knowing and intending that such products would be used by end users in a manner that infringes the '395 Patent. Because MP Materials is the true owner of the '395 Patent, these acts by Neo constitute infringement of the '395 Patent in violation of at least 35 U.S.C. § 271(a).

88. Neo's actions are without permission or license from MP Materials.

89. Neo's infringement of the '395 Patent is willful, deliberate, and intentional by continuing its acts of infringement after becoming aware of the '395 Patent and its infringement thereof, thus acting in reckless disregard of MP Materials' Patent rights.

90. As a consequence of the infringement of the '395 Patent, MP Materials has suffered and will continue to suffer irreparable harm and injury, including monetary damages in an amount to be determined at trial.

91. Upon information and belief, unless enjoined, Neo and/or others acting on its behalf, will continue their infringing acts relating to the '395 Patent, thereby causing additional irreparable injury to MP Materials for which there is no adequate remedy at law.

# **SIXTH CAUSE OF ACTION** (Correction of Inventorship of the '395 Patent)

92. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-91 of this Complaint as if set forth fully herein.

93. The '395 Patent does not list Joseph Lupo as a co-inventor.

94. Mr. Lupo was involved in the conception and reduction to practice and materially contributed to the conception and reduction to practice of significant features of the inventions recited in one or more claims of the '395 Patent.

95. Because Mr. Lupo substantially contributed to the conception and reduction to practice of significant features of one or more claims of the '395 Patent, he is necessarily a co-inventor of the '395 Patent.

96. Accordingly, because Mr. Lupo is rightfully a co-inventor of the claimed features of one or more claims of the '395 Patent, this Court should declare him as a co-inventor and issue an Order directing the Commissioner of Patents to add Mr. Lupo as a co-inventor of the '395 Patent.

# **<u>SEVENTH CAUSE OF ACTION</u>** (Correction of Inventorship of the '161 Patent)

97. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-96 of this Complaint as if set forth fully herein.

98. The '161 Patent does not list Mr. Lupo as a co-inventor.

99. Mr. Lupo was involved in the conception and reduction to practice and materially contributed to the conception and reduction to practice of significant features of the inventions recited in one or more claims of the '161 Patent.

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100. Because Mr. Lupo substantially contributed to the conception and reduction to practice of significant features of one or more claims of the '161 Patent, he is necessarily a co-inventor of the '161 Patent.

101. Accordingly, because Mr. Lupo is rightfully a co-inventor of the claimed features of one or more claims of the '161 Patent, this Court should declare him a co-inventor and issue an Order directing the Commissioner of Patents to add Mr. Lupo as a co-inventor of the '161 Patent.

## **<u>EIGHTH CAUSE OF ACTION</u>** (Correction of Inventorship of the '148 Patent)

102. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-10177 of this Complaint as if set forth fully herein.

103. The '148 Patent does not list Joseph Lupo as a co-inventor.

104. Mr. Lupo was involved in the conception and reduction to practice and materially contributed to the conception and reduction to practice of significant features of the inventions recited in one or more claims of the '148 Patent.

105. Because Mr. Lupo substantially contributed to the conception and reduction to practice of significant features of one or more claims of the '148 Patent, he is necessarily a co-inventor of the '148 Patent.

106. Accordingly, because Mr. Lupo is rightfully a co-inventor of the claimed features of one or more claims of the '395 Patent, this Court should declare him as a co-inventor and issue an Order directing the Commissioner of Patents to add Mr. Lupo as a co-inventor of the '148 Patent.

# <u>NINTH CAUSE OF ACTION</u> (Correction of Inventorship of the '262 Patent)

107. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-106 of this Complaint as if set forth fully herein.

108. The '262 Patent does not list Mr. Lupo as a co-inventor.

109. Mr. Lupo was involved in the conception and reduction to practice and materially contributed to the conception and reduction to practice of significant features of the inventions recited in one or more claims of the '262 Patent.

110. Because Mr. Lupo substantially contributed to the conception and reduction to practice of significant features of one or more claims of the '262 Patent, he is necessarily a co-inventor of the '262 Patent.

111. Accordingly, because Mr. Lupo is rightfully a co-inventor of the claimed features of one or more claims of the '262 Patent, this Court should declare him a co-inventor and issue an Order directing the Commissioner of Patents to add Mr. Lupo as a co-inventor of the '262 Patent.

# <u>TENTH CAUSE OF ACTION</u> (Trade Secret Misappropriation under the DTSA)

112. MP Materials realleges and incorporates herein by reference the allegations stated in paragraphs 1-111 of this Complaint as if set forth fully herein.

113. MP Materials is the owner of certain trade secret information, including trade secret information relating to (1) the impact of SorbX with membranes to understand the interaction with membrane bioreactors at dosage rates high enough to lower final phosphate concentration to meet regulatory discharge limits, as well as (2) the identification of target C:P ratios in removing phosphorous from wastewater using a clarifying agent of chloride salts of Ce/La; because, among

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other reasons, this confidential, proprietary and trade secret information was part of the assignment of intellectual property from Molycorp to MP Materials pursuant to the APA.

114. Upon information and belief, Molycorp took reasonable measures to protect its trade secrets prior to 2016, the trade secrets are not readily ascertainable through proper means, and derived independent economic value from not being public.

115. Upon information and belief, Neo misappropriated trade secrets of MP, including those that were misused by including them in patent applications that later publicly issued as the '395 Patent and the '161 Patent.

116. Neo's actions are without permission or license from MP Materials.

117. Neo's use and/or public disclosure of MP Materials' trade secrets is willful, deliberate, and intentional or at least in reckless disregard of MP Materials' rights.

118. As a consequence of Neo's public disclosure, MP Materials has suffered and will continue to suffer irreparable harm and injury, including monetary damages in an amount to be determined at trial.

119. Upon information and belief, unless enjoined, Neo and/or others acting on its behalf, will continue their misappropriation and misuse of MP Materials' trade secrets, thereby causing additional irreparable injury to MP Materials for which there is no adequate remedy at law.

#### PRAYER FOR RELIEF

WHEREFORE, MP Materials prays for judgment in its favor and against Defendant, including but not limited to the following relief:

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1. For an Order requiring Defendant to specifically assign full ownership, right, and title in the '395 Patent, the '161 Patent and all patents and patent applications claiming priority thereto to MP Materials;

2. For an Order adjudging Defendant to have infringed the '395 Patent;

3. A preliminary and permanent injunction enjoining Defendant, its respective officers, directors, agents, servants, employees and attorneys, and those persons in active concert or participation with Defendant, from infringing the '395 Patent in violation of 35 U.S.C. § 271;

4. A preliminary and permanent injunction enjoining Defendants, their respective officers, directors, agents, servants, employees and attorneys, and those persons in active concert or participation with Defendants, from further misappropriating and/or using MP Materials' trade secrets and confidential and proprietary technical and business information;

5. For an Order directing the Commissioner of Patents to add Joseph Lupo as a coinventor of the '395 Patent, the '161 Patent, the '148 Patent and the '262 Patent;

6. Pursuant to 35 U.S.C. § 284, an award of monetary damages compensating MP Materials for Neo's infringement of the '395 Patent, together with an assessment of pre-judgment and post-judgment interest and costs at the highest rate allowable by law;

7. For an Order requiring Defendant to pay MP Materials the compensatory damages to which it is entitled, with pre-judgment and post-judgment interest at the highest rate allowable by law;

8. For an Order requiring Defendant to pay MP Materials exemplary damages including, but not limited to, treble damages for Defendant's intentional, willful, and malicious misappropriation of MP Materials' inventions, trade secrets, and infringement of MP Materials' patents;

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9. For an Order requiring Defendant to disgorge all profits unjustly obtained through the use of MP Materials' trade secrets and to pay those profits to MP Materials, with pre-judgment and post-judgment interest at the highest rate allowable by law;

10. For an Order requiring Defendant to pay MP Materials exemplary damages including, but not limited to, double the amount of compensatory damages awarded on account of Defendants' intentional, willful, and malicious misappropriation of MP Materials' trade secrets;

11. An Order imposing a constructive trust for the benefit of MP Materials over:

a. The inventions claimed in the '395 Patent, the '161 Patent, the '148 Patent, the '262 Patent and all patents claiming priority thereto;

b. All profits, royalties, and other benefits resulting from the exploitation of the inventions claimed and/or disclosed in claimed in the '395 Patent, the '161 Patent, the '148 Patent, the '262 Patent and all patents claiming priority thereto, including all profits and royalties resulting from the manufacture, sale, distribution, and marketing of each version of Neo's products;

c. All products that incorporate the inventions conceived, made, and developed by Mr. Haneline, Ms. Cornish, and Mr. Gallman, including those relating to the SorbX product while at Molycorp;

d. Any United States or foreign patents or patent applications that claim priority to the '395 Patent, the '161 Patent and/or that are supported by the disclosures in those patents; and

e. The confidential, proprietary and trade secret information that was misappropriated from MP Materials by Neo.

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12. An Order finding that this is an exceptional case, and an award of reasonable attorney's fees and non-taxable costs; and

13. Such other and further relief as this Court may deem just.

# JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), MP Materials demands a trial by jury of all issues

raised by this Complaint that are triable by jury.

Dated: April 26, 2024

# BAYARD, P.A.

/s/ Stephen B. Brauerman

Of counsel:

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