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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY**

YBM HOME INC.,

Plaintiff,

v.

DESIGN IDEAS, LTD.,

Defendant.

Case No. 2:24-cv-5803

**COMPLAINT AND  
JURY TRIAL DEMAND**

*Electronically Filed*

Plaintiff YBM Home, Inc. (“Plaintiff”), by and through its counsel, for its Complaint against Design Ideas, Ltd. (“Defendant”), alleges as follows:

**PARTIES**

1. Plaintiff is a company organized and existing under the laws of the State of New Jersey, with a principal place of business at 245 10th Ave., Paterson, New Jersey 07524.

2. On information and belief, Defendant is an Illinois corporation with a principal place of business at 2521 Stockyard Road, Springfield, Illinois, 62702.

### **JURISDICTION AND VENUE**

3. This action arises under the patent laws of the United States and seeks a declaratory judgment under 28 U.S.C. §§ 2201 and 2202. This Court has jurisdiction under 28 U.S.C. § 1331 and 1338(a).

4. This Court can provide the declaratory relief sought herein because an actual case and controversy exists between the parties within the scope of this Court's jurisdiction pursuant to 28 U.S.C. § 2201. An actual case and controversy exists because Defendant has accused and continues to accuse Plaintiff and its products of infringing U.S. Design Patent No. D895,969 ("the D'969 Patent"), as discussed herein. As also discussed herein, Plaintiff and its products do not infringe and have never infringed the D'969 Patent and therefore has a right to engage in the complained-of activity.

5. This Court has personal jurisdiction over Defendant because Defendant has engaged in actions in this District that form the basis of Plaintiff's claims against Defendant that have created a real, live, immediate, and justiciable case or controversy between Plaintiff and Defendant. The details relating to Defendant's actions to create this controversy are described in further detail below.

6. Plaintiff is headquartered in and resides in this District in Paterson, New Jersey.

7. Defendant has sent correspondence asserting infringement to Plaintiff and its counsel in New Jersey and/or knowing that Plaintiff resides in New Jersey.

8. Defendant has advised that it intends to file suit against Plaintiff in this District because it originally filed a patent infringement suit against Plaintiff concerning the D'969 Patent in the United States District Court for the Central District of Illinois, and its claims against Plaintiff were dismissed for improper venue.

9. Defendant has thus consciously and purposely directed allegations of infringement, including demand letters, to Plaintiff, a company that resides and operates in this District.

10. In doing so, Defendant has established sufficient minimum contacts with this District such that Defendant is subject to specific personal jurisdiction in this District. Further, the exercise of personal jurisdiction based on these repeated and highly-pertinent contacts does not offend traditional notions of fairness and substantial justice.

11. Venue in declaratory judgment actions for noninfringement of patents is determined under the general venue statute, 28 U.S.C. § 1391.

12. Under 28 U.S.C. § 1391(b)(1), venue is proper in any judicial district where a defendant resides. An entity with the capacity to sue and be sued, such as Defendant, is deemed to reside, if a defendant, in any judicial district in which such

defendant is subject to the court's personal jurisdiction with respect to the civil action in question under 28 U.S.C. § 1391(c).

13. As discussed above, Defendant is subject to personal jurisdiction with respect to this action in this District, and thus, for the purposes of this action, Defendant resides in this District and venue is proper under 28 U.S.C. § 1391.

14. Venue in this District is also proper under 28 U.S.C. §1391(b)(2) because a substantial part of the events giving rise to the claims occurred in this District.

### **BACKGROUND FACTS**

15. Defendant purports to be the owner of the D'969 Patent.

16. On or about April 25, 2023, Defendant filed suit against Plaintiff, Amazon.com Inc. ("Amazon"), and Walmart Inc. ("Walmart") in the United States District Court for the Central District of Illinois, asserting a single claim of patent infringement of the D'969 Patent. *See Design Ideas Ltd v. YBM Home Inc et al.*, Case No. 1:23-cv-01165-CSB-JEH (C.D. Ill. filed Apr. 25, 2023) ("the Illinois Action").

17. Defendant's claims against Amazon and Walmart in the Illinois are based solely on the sale of Plaintiff's accused products through the Amazon.com Marketplace and the Walmart.com Marketplace.

18. On or about January 23, 2024, Defendant's claim against Plaintiff in the Illinois Action was dismissed for improper venue.

19. Since January 23, 2024, until the present, Defendant has continued to assert accusations of patent infringement against Plaintiff.

20. On or about April 9, 2024, Defendant's counsel represented to Plaintiff's counsel that Defendant intended to re-file the patent infringement claim dismissed from the Illinois Action against Plaintiff in this District.

21. Since April 9, 2024 until the date of this filing, Defendant has not withdrawn its accusations of patent infringement, nor its statement that it intended to pursue its infringement claim in this District.

22. Since January 23, 2024, until the present, Defendant has continued to assert accusations of patent infringement against Amazon and Walmart, based on the sale of Plaintiff's accused products via the Amazon.com and Walmart.com Marketplaces.

23. Accordingly, a definite and concrete dispute exists between Plaintiff and Defendant regarding non-infringement of the D'969 Patent.

24. Plaintiff is an online retailer of a wide variety of products. Among the online platforms that Plaintiff uses to offer and sell its products are the Amazon.com and Walmart.com Marketplaces.

25. The privilege of selling on the Amazon.com and Walmart.com Marketplaces is highly advantageous, as these marketplaces provide third party sellers like Plaintiff with exposure to consumers on a scale that no other online retailer can currently provide.

26. Any harm that comes to the relationships between Plaintiff and Amazon and Walmart creates a potential for serious and irreparable injury to Plaintiff.

### **COUNT ONE**

#### **Declaratory Judgment of Non-Infringement of the D'969 Patent**

27. Plaintiff repeats and re-alleges the allegations contained in Paragraphs 1–26 as if fully set forth herein.

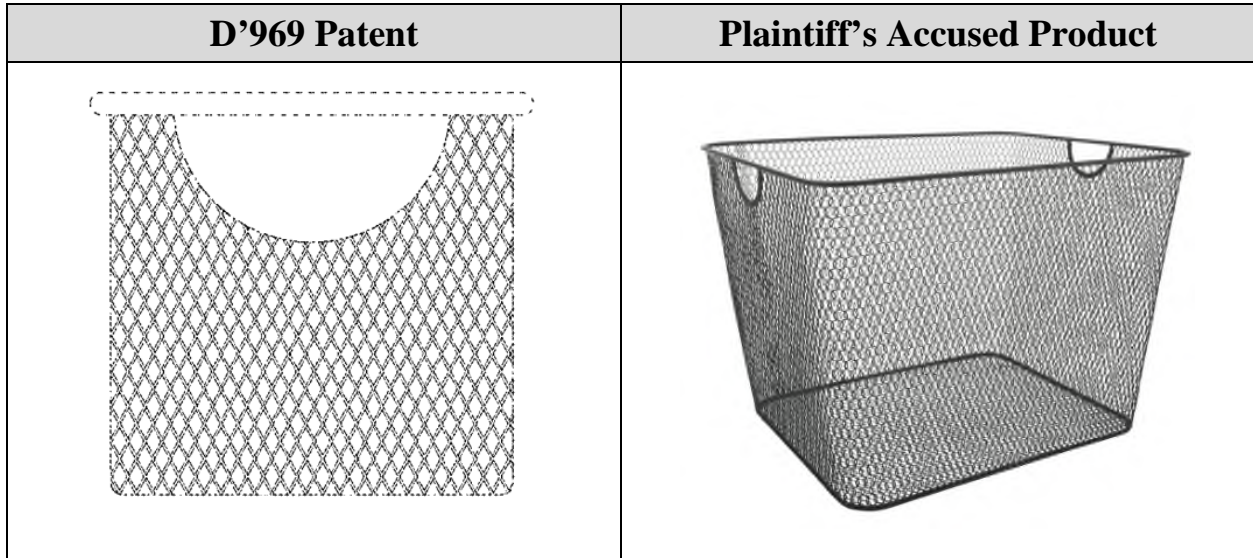
28. Defendant has alleged that it has all rights and interest in, and that Plaintiff has infringed the D'969 Patent.

29. As a result of these claims, an actual case or controversy exists between Plaintiff and Defendant concerning infringement of the D'969 Patent.

30. Plaintiff is not infringing, and has not ever infringed, either directly or indirectly, any valid claim of the D'969 Patent.

31. For example, as compared to the design disclosed in the D'969 Patent, the accused YBM products contain completely different designs, including, *inter alia*, a narrower handle opening of as compared to the width of the product, a

smaller handle opening as compared to the handle side of the product, and a rim around the handle opening:



32. Plaintiff is not willfully, deliberately, or intentionally infringing, and has not ever willfully, deliberately, or intentionally infringed any valid claim of the D'969 Patent.

33. Pursuant to the Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Plaintiff is entitled to a declaratory judgment of non-infringement of the D'969 Patent.

**COUNT TWO**  
**Declaratory Judgment of Invalidity of the D'969 Patent**

34. Plaintiff repeats and re-alleges the allegations contained in Paragraph 1–33 as if fully set forth herein.

35. As a result of Defendant's claim of patent infringement, an actual case or controversy exists between Plaintiff and Defendant concerning the validity of the claims of the D'969 Patent.

36. The asserted claim of the D'969 Patent is anticipated and/or rendered obvious by other, earlier patents and prior art.

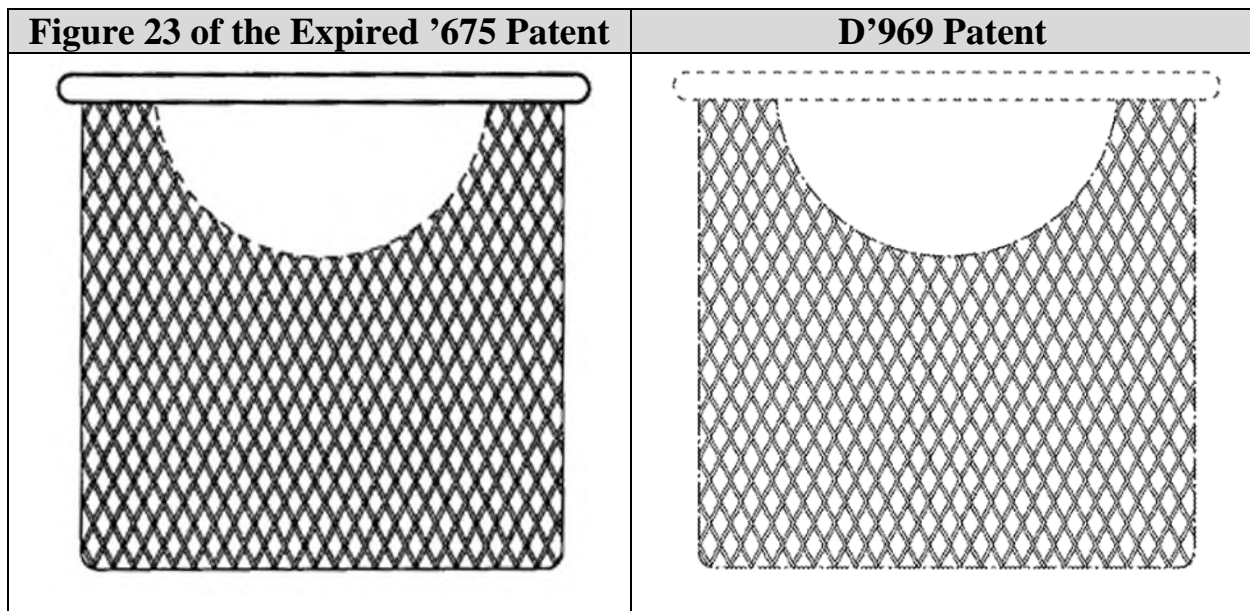
37. The asserted claim of the D'969 Patent is invalid as indefinite under 35 U.S.C. § 112.

38. The asserted claim of the D'969 Patent is invalid pursuant to the doctrine of "double patenting."

39. It is fundamental in patent law that a person may not obtain "more than one patent on the same invention, i.e., double patenting." *Abbvie Inc. v. Mathilda & Terence Kennedy Inst. of Rheumatology Tr.*, 764 F.3d 1366, 1372 (Fed. Cir. 2014) (citing 35 U.S.C. § 101). Otherwise, a patentee would "perpetuate his exclusive right" beyond that permitted by the Patent Act, thereby "completely destroy[ing] the whole consideration derived by the public for the grant of the patent, the right to use the invention at the expiration of the term specified in the original grant." *Id.* (internal quotation and modification omitted). "[T]he doctrine of obviousness-type double patenting ensures that a particular invention (and obvious variants thereof) does not receive an undue patent term extension." *Id.* at 1373.



40. However, the D’969 Patent clearly seeks to claim an unjustified patent term extension on Defendant’s prior patents. Specifically, the D’969 Patent, issued in 2020, claims priority to an application filed *over 20 years ago*, and from which Defendant already obtained patents which encompass the same subject matter as the D’969 Patent. Of particular relevance, the D’969 Patent—which disclaims the top rim and outer boundaries—is simply a broader version of U.S. Patent No. D451,675 (“the Expired ’675 Patent”), which expired many years ago.



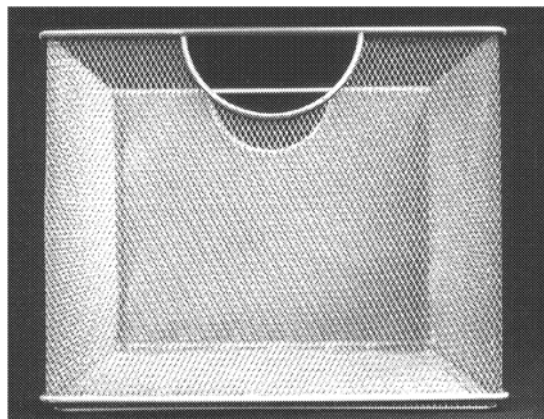
41. “Under Supreme Court precedent, only one patent can issue for each patentable invention.” *In re Goodman*, 11 F.3d 1046, 1053 (Fed. Cir. 1993) (quoting *Miller v. Eagle Mfg. Co.*, 151 U.S. 186, 197 (1894)).

42. “A second application—‘containing a broader claim, more generical in its character than the specific claim in the prior patent’—typically cannot support

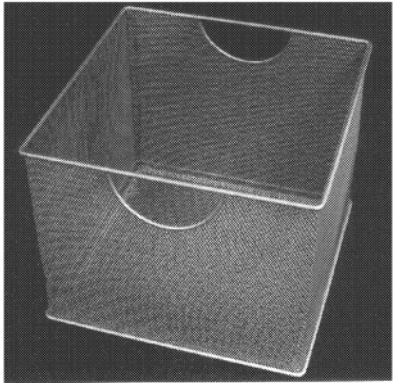

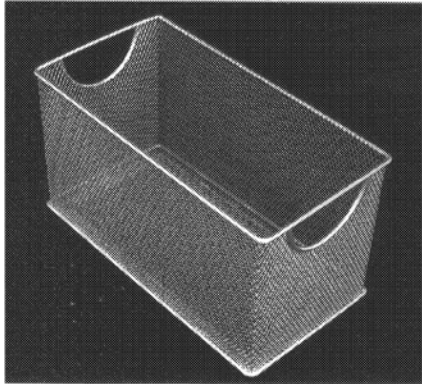

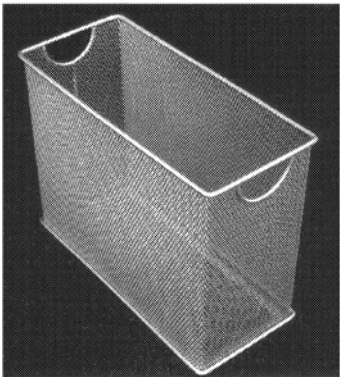

an independent valid patent.” *In re Goodman*, 11 F.3d at 1053 (quoting *Miller*, 151 U.S. at 197).

43. Thus, the D’969 Patent’s broader (i.e., genus) claim is invalid for obviousness-type double patenting in light of the Expired ’675 Patent’s narrower (i.e., species) claim that Plaintiff intentionally patented first. *See, e.g., In re Goodman*, 11 F.3d 1046, 1053 (Fed. Cir. 1993) (“[W]ithout a terminal disclaimer, the species claims preclude issuance of the generic application” under obviousness-type double patenting); *Abbvie Inc. v. Mathilda & Terence Kennedy Inst. of Rheumatology Tr.*, 764 F.3d 1366, 1379 (Fed. Cir. 2014) (affirming district court’s finding of invalidity for obviousness-type double patenting and noting that “when a ‘genus is so limited that a person of ordinary skill in the art can “at once envisage each member of this limited class,” . . . a reference describing the genus anticipates every species within the genus.”).

44. The invalidity of the D’969 Patent is further bolstered by the fact that, in order to obtain the Expired ’675 Patent in the first place, Defendant had to agree to enter a terminal disclaimer in view of the, even earlier, U.S. Patent No. D419,302 (“the Original ’302 Patent”), Figure 2 of which is shown below:



45. “[A] terminal disclaimer is a strong clue that a patent examiner and, by concession, the applicant, thought the claims in the continuation lacked a patentable distinction over the parent.” *Indivior Inc. v. Dr. Reddy’s Lab’ys, S.A.*, 752 F. App’x 1024, 1034 (Fed. Cir. 2018) (internal quotation omitted). As Defendant conceded that the Expired ’675 Patent was not patentably distinct from the Original ’302 Patent, it also knew or should have known that the D’969 Patent was not permitted to a patent term extension beyond the, since expired, Original ’302 Patent. Indeed, Defendant asserts that the D’969 Patent covers the following products, which look identical or near-identical to the designs claimed by the Original ’302 Patent:

Original '302 Patent	Defendant's Products
<p data-bbox="537 241 610 268">FIG. 1</p> 	
<p data-bbox="561 684 634 711">FIG. 6</p> 	
<p data-bbox="537 1136 626 1163">FIG. 11</p> 	

(Compare [https://cdn.shopify.com/s/files/1/0532/6018/9875/files/Patent\\_List.pdf?v=1673045026](https://cdn.shopify.com/s/files/1/0532/6018/9875/files/Patent_List.pdf?v=1673045026) (the webpage linked to the “Patent List” at <https://wholesale.designideas.net/pages/patents>, as accessed on August 7, 2023),

with, <https://wholesale.designideas.net/products/meshworks%C2%AE-stacking-bin-2?variant=38076517744819>, <https://wholesale.designideas.net/products/meshworks%C2%AE-stacking-bin-1?variant=38076491104435>, & <https://wholesale.designideas.net/products/meshworks%C2%AE-stacking-bin?variant=38076417081523>, as accessed on August 7, 2023).

46. Pursuant to the Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Pacific request a declaration by the Court that the claim of the D'969 Patent is invalid for failure to comply with one or more of the requirements of 35 U.S.C. §§ 101, 102, 103, and/or 112 and/or double patenting.

### **PRAYER FOR RELIEF**

**WHEREFORE**, the Plaintiff prays for judgment as follows:

- A. An order declaring that Plaintiff has not infringed any claim of the D'969 Patent;
- B. An order declaring that Plaintiff has not willfully infringed the D'969 Patent;
- C. An order declaring that D'969 Patent is invalid;
- D. An order declaring this case exceptional;
- E. An award to Plaintiff of its attorneys' fees and costs; and
- F. An award to Plaintiff of such other and further relief as the Court may deem proper.

**DEMAND FOR JURY TRIAL**

Plaintiff hereby requests a jury trial for all issues triable by jury including, but not limited to, those issues and claims set forth in any amended complaint or consolidated action.

Dated: May 1, 2024

Respectfully submitted,

TARTER KRINSKY & DROGIN LLP

By: *s/ Tuvia Rotberg* \_\_\_\_\_

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*Attorneys for Plaintiff*



**LOCAL CIVIL RULE 11.2 CERTIFICATION**

Pursuant to Local Civil Rule 11.2, Plaintiff, through its attorneys, states that the issues in this action—namely, the non-infringement of Plaintiff’s accused products of U.S. Design Patent No. D895,969 (“the D’969 Patent”) and the invalidity of the D’969 Patent—are the subject of the action styled as *Design Ideas Ltd v. YBM Home Inc et al.*, Case No. 1:23-cv-01165-CSB-JEH currently pending in the United States District Court for the Central District of Illinois. The current parties to that action are Defendant Design Ideas Ltd, as well as Amazon.com Inc. and Walmart Inc. Plaintiff was previously a defendant in that action, but was dismissed on January 23, 2024 because venue was improper. Otherwise, the matter in controversy is not the subject of any other action pending in any court, or of any pending arbitration or administrative proceeding.

Dated: May 1, 2024

Respectfully submitted,

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*Attorneys for Plaintiff*

**LOCAL CIVIL RULE 201.1 CERTIFICATION**

Pursuant to Local Civil Rule 201.1, Plaintiff, through its attorneys, certifies that the above captioned matter is not subject to compulsory arbitration.

Dated: May 1, 2024

Respectfully submitted,

TARTER KRINSKY & DROGIN LLP

By: *s/ Tuvia Rotberg* \_\_\_\_\_

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