

**UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

Electronically Filed

AIM MANUFACTURING, LLC)
5700 Poplar Level Road)
Louisville, Kentucky 40228)
Kentucky limited liability company)

-and-)

INSPIRED INNOVATIONS LLC)
152 Sage Circle)
Crystal Beach, Florida 34681)
Florida limited liability company)

Plaintiffs)

v.)

PARASOL MEDICAL LLC)
1602 Barclay Blvd.)
Buffalo Grove, Illinois 60089)
Illinois limited liability company)
Serve: RRS Consulting, Ltd. (registered)
agent))
3 Hawthron Pkwy., Suite 200)
Vernon Hills, Illinois 60061)

MEDTEC MEDICAL, INC.)
1602 Barclay Blvd.)
Buffalo Grove, Illinois 60089)
Illinois limited liability company)
Serve: RRS Consulting, Ltd. (registered)
agent))
3 Hawthron Pkwy., Suite 200)
Vernon Hills, Illinois 60061)

MICHAEL D. KILCRAN II)
1214 Hunters Lane #1)
Libertyville, Illinois 60048)

-and-)

Civil Action No.: 1:24-cv-5922
Judge: _____
Magistrate Judge: _____

PRICE HENEVELD LLP)
3400 Innovation Ct. SE)
PO Box 2567)
Grand Rapids, Michigan 49501)
Michigan limited liability partnership)
)
Defendants)

COMPLAINT
(JURY TRIAL DEMANDED)

Plaintiffs, AIM Manufacturing, LLC (“AIM”) and Inspired Innovations LLC (“Inspired”) (collectively “Plaintiffs”), by counsel, for their Complaint against Defendants, Parasol Medical LLC (“Parasol”), Medtec Medical, Inc. (“Medtec”), Michael D. Kilcran II (“Kilcran”), and Price Heneveld LLP (“Price Heneveld”) (collectively “Defendants”), allege as follows:

INTRODUCTION

1. This is an action arising under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, and the patent laws of the United States, including Title 35, United States Code § 1 *et seq.*, seeking a declaratory judgment of non-infringement of U.S. Patent Nos. 10388143, 10470689, 10499834, 10674940, 10722146, 10799153, 10806377, 10997847, and 11160472 (collectively “the Asserted Patents”).

2. This is also an action for tortious interference with contract, tortious interference with prospective economic or business advantage, trade libel/commercial disparagement, violation of the Illinois Uniform Deceptive Trade Practices Act (“UDTPA”), 815 ILCS 510 *et seq.*, violation of the Illinois Consumer Fraud and Deceptive Business Practices Act (“ICFA”), 815 ILCS 505 *et seq.*, and for aiding and abetting.

3. Plaintiffs are seeking a declaration of non-infringement of the Asserted Patents as well as the issuance of a permanent injunction restraining Defendants from, *inter alia*, further representing that Plaintiffs are infringing any of the Asserted Patents. Plaintiffs are further seeking

monetary damages, including loss of profits, actual damages, compensatory damages, and punitive damages, as well as an award of attorneys' fees, costs, and pre and post-judgment interest.

THE PARTIES

4. Plaintiff AIM is a Kentucky limited liability company with a principal place of business at 5700 Poplar Level Road, Louisville, Kentucky 40228.

5. Plaintiff Inspired is a Florida limited liability company with a principal place of business at 152 Sage Circle, Crystal Beach, Florida 34681.

6. Defendant Parasol is an Illinois limited liability company with a principal place of business at 1602 Barclay Blvd., Buffalo Grove, Illinois 60089. Parasol also identifies an address at 1000 Asbury Drive, Suite 1, Buffalo Grove, Illinois 60089. Fifty percent of Parasol is owned by its member, Medical Minds, LLC (a Michigan limited liability company) ("Medical Minds"), which is 100% owned by an individual named Patrick Eddy (who resides in Michigan). The other 50% of Parasol is owned by its member, Medtec Medical, Inc., an Illinois corporation ("Medtec"), which is owned, in part, by Defendant Kilcran. Upon information and belief, Parasol has no current employees and its officers include only Kilcran as President. Parasol's registered agent for service of process is RRS Consulting, Ltd., with an address at 3 Hawthron Pkwy., Suite 200, Vernon Hills, Illinois 60061.

7. Defendant Medtec is an Illinois corporation with a principal place of business at 1602 Barclay Blvd., Buffalo Grove, IL 60089. Medtec also identifies an address at 1000 Asbury Drive, Suite 1, Buffalo Grove, Illinois 60089. Medtec is an alter ego of Parasol and/or vice versa. Medtec was founded by Kilcran's father, Michael D. Kilcran, and is owned in equal 1/3 interests by Kilcran, Michael Kilcran, and Daniel Kilcran (Kilcran's brother). Medtec and Parasol share the same address, offices, registered agent, officers, and ownership. Medtec's officers include only Kilcran as President and Michael D. Kilcran (Kilcran's father) as Secretary. Parsol has paid

expenses on behalf of Medtec, including vendor expenses, and, upon information and belief, has otherwise diverted funds from Parasol and/or comingled assets in order to inflate its own profit margins. Medtec's registered agent for service of process is RRS Consulting, Ltd., with an address at 3 Hawthron Pkwy., Suite 200, Vernon Hills, Illinois 60061.

8. Defendant Kilcran is an individual residing at 1214 Hunters Lane #1, Libertyville, Illinois 60048. Upon information and belief, Kilcran is the President of Parasol and Medtec and one of the owners of Parasol through his ownership interest in Medtec.

9. Defendant Price Heneveld is a Michigan limited liability partnership with a principal place of business at 3400 Innovation Ct. SE, PO Box 2567, Grand Rapids, Michigan 49501. Upon information and belief, Price Heneveld is a law firm whose partners include Brian Ainsworth, Jason Budd, Terry Callaghan, Brian Cheslek, Matthew Gipson, Keven Grzelak, Michael Hages, Daniel Hoover, Jeffrey Kapteyn, Caitlyn Silverblatt, Matthew Stark, and Aaron Wong.

JURISDICTION AND VENUE

10. This action arises under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, and the patent laws of the United States, 35 U.S.C. § 1 *et seq.*

11. This court has original jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

12. Personal jurisdiction over Defendants Parasol, Medtec, and Kilcran is proper in this District because these Defendants reside in Illinois and within this judicial district.

13. Personal jurisdiction over Defendant Price Heneveld is proper in this District under the Illinois Long Arm Statute, 735 ILCS 5/2-209, because it has transacted business in Illinois, committed tortious acts as alleged herein in Illinois, and the causes of action asserted against Price Heneveld arise from Price Heneveld's actions in Illinois. Personal jurisdiction is likewise proper

over Price Heneveld because, on information and belief, it maintains certain minimum contacts with the state of Illinois, has directed activities within Illinois, the causes of action asserted against it in this lawsuit arise from its contacts and activities in Illinois, and the maintenance of jurisdiction over Price Heneveld does not offend traditional notions of fair play and substantial justice.

14. Venue is proper in this district under 28 U.S.C. § 1391(b) because Defendants are subject to personal jurisdiction in this judicial district, and a substantial part of the events giving rise to the claims occurred in this judicial district.

FACTS COMMON TO ALL CLAIMS

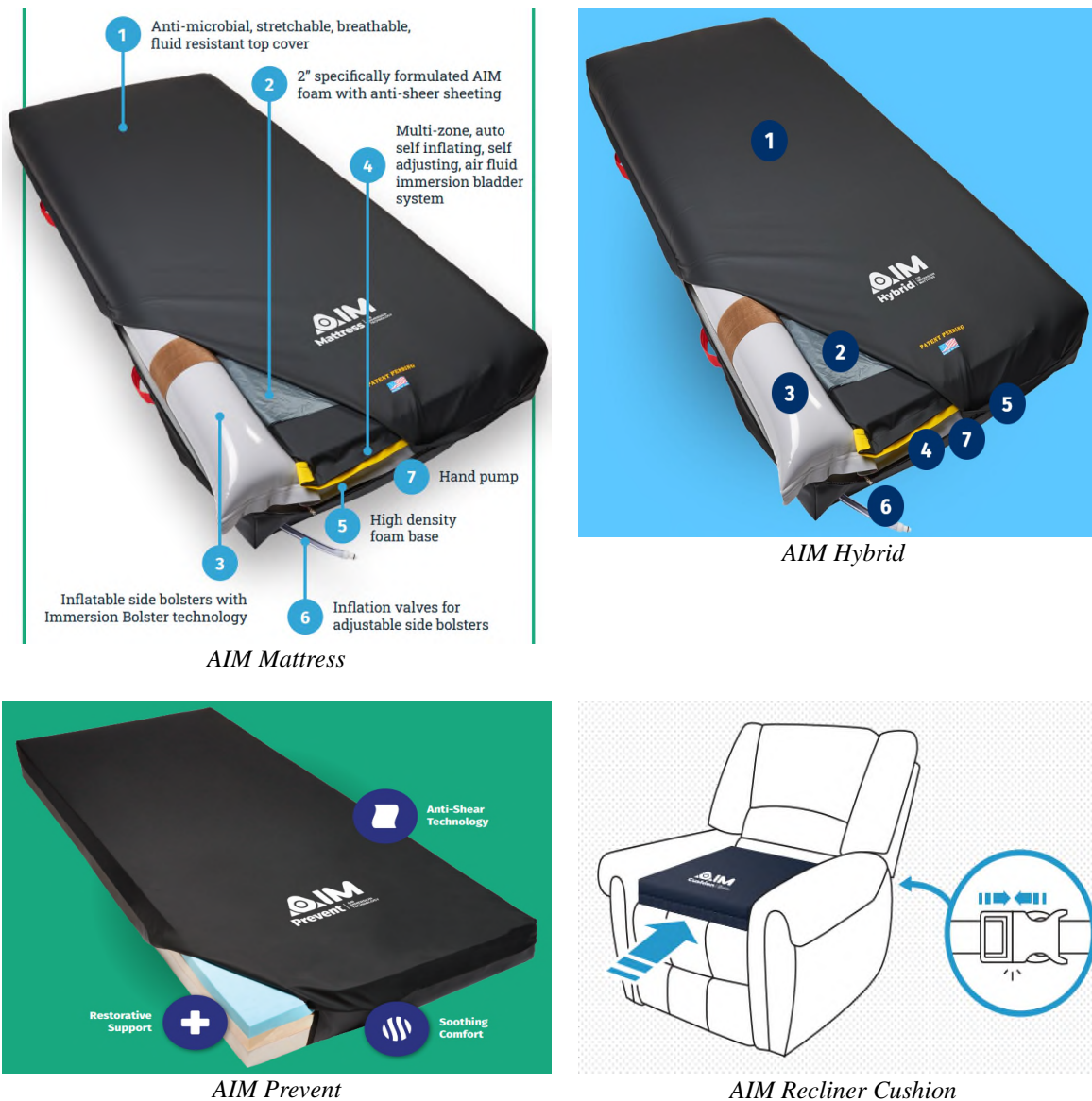
Plaintiffs and Their Successful Line of Air Mattress Products

15. Plaintiff AIM is a designer and manufacturer of specialized air immersion mattresses used primarily in connection with hospitals, nursing homes, and other medical care facilities. The products designed and manufactured by AIM over the years include (a) the AIM Mattress, which is a non-powered, self-inflating, pressure relief mattress; (b) the AIM Hybrid Mattress, which is also a non-powered, self-inflating, pressure relief mattress; (c) the AIM Prevent Mattress; which is a foam mattress consisting of three layers of density foam providing pressure reduction and reducing the risk of pressure injuries; and (d) the AIM Recliner Cushion, which is a pressure redistributing cushion that is non-powered, self-adjusting, auto-inflating, and virtually maintenance free (collectively referred to as “the AIM Products”). The unique, and in most cases patented, features of the AIM Products serve to prevent and manage pressure ulcers, skin flaps, skin grafts, provide and promote optimal blood circulation, and provide therapeutic features such as protection of soft tissue and assistance with wound healing.

16. One of the employees of AIM is John Keesaer, who owns (and is the listed inventor on) U.S. patents which cover the AIM Products, including United States Patent Number

11,160,706 (entitled *patient support arrangement*); and U.S. Patent Application No. 2019/0307259 (entitled *hybrid air immersion mattress*).

17. The following are representative depictions of the AIM Products:



18. The AIM Products have been sold since at least as early as 2018 and, over the years, were sold through AIM’s distributors, including Omnikare, LLC (located in Kentucky, “Omnikare”), and Medical Equipment Supplies of America (or “MESA”, located in Florida).

Omnikcare and MESA would sell the products to the end customer, which generally consist of hospitals, nursing homes and medical care facilities.

19. Plaintiff Inspired is a veteran owned business that was founded in 2022 with the goal of producing and selling products designed to improve the lives of veterans. Around the time of formation, one of Inspired's owners, Paul Kimbel, worked with AIM and John Keesaer to develop the Wiggle Mattress. The Wiggle Mattress is also a non-powered, self-inflating, pressure relief mattress. During the product development phase Kimbel worked with wound care nurses and veterans to conduct clinical trials – where he obtained valuable feedback from veterans and other end users of the mattresses.

20. Soon after it was formed, Inspired entered into a relationship with AIM whereby AIM would manufacture the Wiggle Mattress products for Inspired.

21. The Wiggle branded products sold by Inspired (and manufactured by AIM), include the Wiggle Foam Mattress, the Wiggle Non-Powered Mattress, and the Wiggle Non-Powered Overlay (collectively “the Wiggle Products”).

22. The following is a representative depiction of one of the Wiggle Products:



23. Inspired would sell the Wiggle Products through MESA, as its exclusive distributor. Inspired, through MESA, began selling the Wiggle Products in February of 2023. Inspired and MESA experienced early sales success, and by February of 2024, the Wiggle Products were considered a “go to” product in the industry. Inspired anticipated approximately \$43,000 in sales

through MESA (based on purchase orders and invoices) in March of 2024 alone – with a growth rate of 342% over average sales.

24. Inspired projected over \$14 million in gross sales of the Wiggle Products through the end of 2026 – with over \$10 million of that being projected for 2024-2026. Inspired's projections did not include projections for any products that were under development.

25. Inspired recently began efforts to develop a new model of its Wiggle Products, referred to as the Wiggle Advanced Therapy Mattress. The plan was to shift all manufacturing and production responsibility for the new product from AIM to Inspired. Another minority owner of Inspired is Patrick Eddy. Mr. Eddy, through his other companies and business connections, maintained connections with a product developer and manufacturer in China named Worldwide Mediware Co. Ltd. or Worldwide Developers ("Worldwide"). Inspired hired Worldwide to assist in product development, along with Mr. Eddy (who is a listed inventor on a number of medical device patents and has many years of experience with product research and development) and Mr. Keesaer (who is a listed inventor on a number of mattress products and has many years of experience with product development in this field). Once the product was completed, the plan was then to have manufacturing responsibilities shifted from AIM to Inspired and eventually have Worldwide manufacture the final product to be sold by Inspired through its exclusive distributor, MESA.

26. Wiggle Advanced Therapy Mattress, the next generation of this product line, was under development until recently. Indeed, by March of 2024, Inspired and Worldwide were close to finalizing the development of the Wiggle Advanced Therapy Mattress. Inspired expected the product to be ready for manufacturing and sale within months. As contemplated, the Wiggle Advanced Therapy Mattress would revolutionize the industry.

27. However, because of the actions of Defendants, set forth herein, a final product was never developed. As of this filing, no new generation products, including the Wiggle Advanced Therapy Mattress, have ever been manufactured, sold or offered for sale.

Defendants and Their Medical Device Business

28. Medtec is a national distributor and manufacturer of medical equipment and supplies. Medtec manufactures and sells a number of medical devices, including products in the following markets: infusion therapy, pharmacy clean room, infection control, risk management and patient safety, and Medicare providers. Medtec's products are sold direct to consumers through the Medtec website as well as through Medtec's network of specialty distributors whose customer base includes hospitals, homecare's, oncology clinics, and surgery centers.

29. Medtec's president is Defendant Kilcran. On information and belief, Medtec was founded by Kilcran's father, and is owned in equal 1/3 interests by Kilcran, Kilcran's father, and Kilcran's brother.

30. In and around 2013, in an effort to design and manufacture a new fall monitoring and prevention system to better compete in the market, Mr. Kilcran approached Mr. Eddy (who has over 30 years of experience designing medical devices and has applied for over 70 patents, with approximately 30 of those applications becoming registered patents), about working together to create a new line of products.

31. Soon thereafter, Kilcran and Eddy formed Defendant Parasol. Parasol is owned 50% by Medtec, with the other 50% being owned by Medical Minds, LLC. Medical Minds, LLC ("Medical Minds") is a Michigan limited liability company that is owned 100% by Mr. Eddy.

32. Kilcran is the President of Parasol.

33. Medtec provides all administrative services for Parasol, including accounting, banking, receiving, inventory, shipping, warehousing, office space/rent, internal personnel, and tax return preparation and filing.

34. Parasol was formed to develop, manufacture, and sell new fall prevention monitors and other medical devices through Medtec and other distributors. Eddy successfully helped develop a new line of fall prevention and incontinence detection products, which initially included the Parasol Falls Prevention System. Eddy and Parasol were also able to develop, and eventually sell, a complete fall prevention and incontinence monitoring system that includes, *inter alia*, wireless pads with sensors, monitors, voice recorders, monitor keys, and connectors (“the Parasol Products”). Eddy and Parasol received patents for the Parasol Products.

35. The following is a representative image of Parasol’s full fall prevention and incontinence monitoring system:



Defendants’ Internal Lawsuit

36. In the spring of 2022, Eddy learned that Kilcran and Medtec were in contact with third parties concerning the possibility of either selling Parasol and/or selling Medtec. There were

also discussions about the possibility of consolidating Parasol and Medtec for the purpose of selling the consolidated entity.

37. Eddy and Kilcran began to have a falling out over the situation, and over Medtec and Kilcran's expenditure of company resources, with Eddy demanding that Kilcran and Medtec abide by the terms of the Parasol Operating Agreement and provide him and his company, Medical Minds, with oversight over company expenditures.

38. In response, Kilcran informed Eddy that he wanted Eddy and Medical Minds out of Parasol and wanted the parties to discuss a buyout of Eddy/Medical Minds' interest in the company. Eddy requested financial documents from Kilcran and Medtec to help evaluate the potential buyout price.

39. Kilcran and Medtec refused Eddy's requests and, without the approval of Medical Minds as 50% owner, began taking steps to transition Parasol into Medtec, wherein Medtec would assume all of Parasol's business. For example, Parasol's only two employees were terminated. Medtec then hired one of those employees. Parasol closed its offices in Illinois.

40. Upon information and belief, Kilcran and Medtec were actively and significantly harming Parasol in order to drive down its value for the purpose of forcing Medical Minds and Eddy out of the business at a low cost while at the same time building up the value of Medtec.

41. On February 14, 2023, Medtec filed a lawsuit against Eddy and Medical Minds in the Circuit Court of Lake County, Illinois. The case is styled *Medtec Medical, Inc., individually, and derivatively on behalf of Parasol Medical, LLC v. Patrick Eddy and Medical Minds, LLC*, Case No. 23LA00000094, Circuit Court of the 19th Judicial Circuit, Lake County, Illinois ("the Related Litigation"). Medtec asserts claims against Eddy for breach of contract, fraud, breach of fiduciary duties, and violation of the Illinois Trade Secrets Act.

42. Eddy filed a counterclaim against Medtec and Kilcran alleging breach of contract, breach of fiduciary duties, and member oppression.

43. During the course of discovery in the Related Litigation, Eddy was forced to turn over all of his computers, iPad, and iPhone to a forensic examiner so that information could be retrieved from the devices and used in connection with the case. Medtec and Kilcran were provided access to all of the information produced by Eddy in the Related Litigation.

44. Much of the information Eddy was forced to produce, and which Medtec and Kilcran were permitted to review, consists of confidential and sensitive business records and communications between Eddy, Inspired, AIM and representatives of the same. Many of these communications and documents relate to Eddy's role as a minority owner of Inspired and his efforts to help develop new products on behalf of Inspired.

45. Medtec and Kilcran have used the information it obtained from Eddy's computers and devices to identify distributors, manufacturers, developers, and customers of AIM and Inspired, as well as contact information for anyone associated with AIM and Inspired who have been in communication with Eddy.

Defendants' Unlawful Letters

46. With the information obtained from Eddy's computers and devices in hand, Medtec, Parasol, and Kilcran began engaging in a systematic campaign to exact retribution on Eddy and his other business associates, including Inspired and AIM. The goal of this campaign, on information and belief, is for Medtec and Parasol to snuff out any possible competition from Inspired and AIM and exert as much pressure on Eddy as possible.

47. Parasol, Medtec and Kilcran engaged the law firm of Defendant Price Heneveld, who was Parasol and Eddy's patent prosecution counsel, to prepare and send letters on their behalf with respect to AIM and Inspired. This is despite the fact that Parasol did not have full authorization

from its owners to send any cease and desist or demand letters on behalf of Parasol in that Eddy and Medical Minds never signed off on such actions.

48. Upon information and belief, Price Heneveld, sent cease and desist letters to a number of parties, including unrelated and irrelevant parties, containing allegations of patent infringement against AIM and Inspired related to all products sold by AIM and Inspired, including the AIM Products and the Inspired Products (which had been on sale for some time), without having conducted any investigation into the validity of the patent infringement (or other) claims asserted in the letters.

49. On March 7, 2024, Price Heneveld and Terry Callaghan sent a letter to AIM with the subject line “Parasol Medical LLC’s Intellectual Property” (“the AIM Letter”). A copy of the AIM letter is attached to this Complaint as **Exhibit 1**. The AIM Letter was purported to be sent on behalf of Parasol – though neither Medical Minds nor Eddy authorized the sending of the letter. In the AIM Letter, Price Heneveld represented that Parasol was the owner of the Asserted Patents. The letter further confirms that Parasol obtained information through the Related Litigation against Eddy and accuses AIM of “collaborating with Mr. Eddy to produce mattress products having fall prevention features based on technical information provided by Mr. Eddy and using Parasol’s prototype monitors provided from our supplier, Worldwide Developers.”

50. In the AIM Letter, Price Heneveld further states that “[w]e believe that these products may infringe upon at least one claim from at least one of the above patents and may infringe upon the claims of the published application should it issue with the pending claims.”

51. Price Heneveld further demanded that AIM return any prototypes and all written or electronic information received from Eddy or Worldwide and threatened to “escalate matters” if AIM did not comply with it and Parasol’s demands.

52. Defendants sent a similar letter to Inspired dated March 7, 2024. A copy of the Inspired letter is attached to this Complaint as **Exhibit 2** (“the Inspired Letter”). The Inspired Letter was purported to be sent on behalf of Parasol – though neither Medical Minds nor Eddy authorized the sending of the letter. In the Inspired Letter, Price Heneveld represented that Parasol was the owner of the Asserted Patents. The letter further confirms that Parasol obtained information through the Related Litigation against Eddy and accuses Inspired of “collaborating with Mr. Eddy to produce mattress products having fall prevention features based on technical information provided by Mr. Eddy and using Parasol’s prototype monitors provided from our supplier, Worldwide Developers.”

53. In the Inspired Letter, Price Heneveld further states that “[w]e believe that these products may infringe upon at least one claim from at least one of the above patents and may infringe upon the claims of the published application should it issue with the pending claims.” The products claimed to be infringing included “mattress products” produced by Inspired.

54. Price Heneveld further demanded that Inspired return any prototypes and all written or electronic information received from Eddy or Worldwide and threatened to “escalate matters” if Inspired did not comply with it and Parasol’s demands.

55. Price Heneveld and Parasol could not have identified Inspired and sent the Inspired Letter without Medtec improperly obtaining information from Eddy’s communications and/or electronic files in the Related Litigation. Upon information and belief, Medtec provided information it obtained from the Related Litigation to help Price Heneveld author and send the Inspired Letter.

56. Price Heneveld also sent a letter to AIM’s distributor, Omnikare, on March 7, 2024. A copy of the Omnikare letter is attached to this Complaint as **Exhibit 3** (“the Omnikare Letter”).

57. The Omnikare Letter was purported to be sent on behalf of Parasol – though neither Medical Minds nor Eddy authorized the sending of the letter. In the Omnikare Letter, Price Heneveld represented that Parasol was the owner of the Asserted Patents. The letter further confirms that Parasol obtained information through the lawsuit against Eddy and accuses Omnikare of collaborating with Eddy and AIM to produce and sell mattress products which infringe upon the Asserted Patents.

58. In the Omnikare Letter, Price Heneveld further stated that “[w]e believe that these products may infringe upon at least one claim from at least one of the above patents and may infringe upon the claims of the published application should it issue with the pending claims.”

59. Price Heneveld further demanded that Omnikare return any prototypes and all written or electronic information received from Mr. Eddy or Worldwide and threatened to “escalate matters” if Omnikare did not comply with it and Parasol’s demands.

60. Price Heneveld and Parasol could not have identified Omnikare and sent the Omnikare Letter without Medtec improperly obtaining information about Omnikare from Eddy’s communications and/or electronic files in the Related Litigation. Upon information and belief, Medtec provided information it obtained from the Related Litigation to help Price Heneveld author and send the Omnikare Letter.

61. Defendants sent a similar letter to MESA – the distributor for both AIM and Inspired. Upon information and belief, the contents of the letter or letters sent to MESA were similar or identical to the contents of the Omnikare Letter. Defendants accused AIM and Inspired of infringing the Asserted Patents, including through the manufacture, sale and offer for sale of the Inspired Products and threatened to take legal action against MESA.

62. Upon information and belief, Defendants either sent similar letters to Worldwide or informed Worldwide of their patent infringement allegations against AIM and Inspired.

63. Defendants sent similar letters to other, yet to be identified customers or potential customers of Plaintiffs. And further sent similar letters to many people who were simply listed as contacts of Eddy within his computers and devices. A similar letter was even sent to Eddy's son, who has nothing to do with the business and is currently a college student. Neither Price Heneveld nor Parasol would have been able to send the letters to any of the individuals or businesses described herein without improperly obtaining information about these parties from Eddy's computers and devices in the Related Litigation.

64. The letters sent by Price Heneveld, purportedly on behalf of Parasol, referenced in paragraphs 48 through 63 herein, shall be collectively referred to as "the Defendants' Letters".

65. The Defendants' Letters all falsely accuse Plaintiffs of infringing the Asserted Patents through the sale of their production and sale of various mattress products, including the AIM Products and the Inspired Products. The Plaintiffs have not sold any other mattress products other than the AIM Products and the Inspired Products.

66. Upon information and belief, the Defendants' Letters were sent at the direction and instruction of Defendant Kilcran, who was acting outside the scope of any authority he had as an officer or employee of Parasol.

67. Upon further information and belief, Price Heneveld sent the Defendants' Letters without conducting an investigation of any kind as to whether the AIM Products or the Inspired Products actually infringe any of the Asserted Patents as alleged in the letters. Any reasonable investigation would have concluded there could be no infringement of the Asserted Patents.

68. Since the sending of the Defendants' Letters, Kilcran and Price Heneveld (including Terry Cavanaugh) have had further discussions with representatives of MESA. In these discussions, Kilcran and Price Heneveld have falsely represented to MESA that the Wiggle Products were infringing upon Defendants' alleged patents. Because of these representations,

MESA has threatened to recall all of the Wiggle Mattress products which it distributed and/or sold on Inspired's behalf.

The Asserted Patents

69. The Asserted Patents, which Defendants have accused Plaintiffs (and others) of infringing through the Defendants' Letters, are directed to products which are not remotely similar to the products currently being sold by Plaintiffs – i.e. the AIM Products and the Inspired Products.

70. United States Patent Number 10,388,143 (“the ‘143 Patent”), entitled *patient movement and incontinence notification device*, names Patrick Eddy and Michael Kilcran as the inventor(s) and states an issue date of August 20, 2019. Attached as **Exhibit 4** is a copy of the ‘143 Patent.

71. The ‘143 Patent generally describes a notification device which includes a sensor pad and an electronics module which generates notifications in response to signals received from the sensor pad. The ‘143 Patent is further directed to, *inter alia*, “[a] sensor pad for use in a notification device for providing patient movement notification and incontinence notification, said sensor pad comprising: a sheet; a pressure sensor for sensing pressure applied by a patient and generating a pressure signal” (Claim 1).

72. Claim 1 is the only independent claim of the ‘143 Patent.

73. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘143 Patent.

74. United States Patent Number 10,470,689 (“the ‘689 Patent”), entitled *patient movement and incontinence notification system*, names, *inter alia*, Patrick Eddy and Michael Kilcran as the inventor(s) and states an issue date of November 12, 2019. Attached as **Exhibit 5** is a copy of the ‘689 Patent.

75. The '689 Patent generally describes a notification system that provides notification of patient events such as movement or incontinence. The '689 Patent is further directed to, *inter alia*, “[a] patient movement notification system, comprising: a sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting a pressure signal; and a monitor having a receiver for receiving the pressure signal from the sensor pad, the monitor generating a notification of patient movement in response to the pressure signal” (Claims 1 and 17); “[a]n incontinence warning system, comprising: a sensor pad comprising a moisture sensor for sensing moisture due to incontinence; a transmitter associated with the sensor pad for transmitting a moisture detection signal in response to the incontinence sensor” (Claim 8); and “[a] patient movement notification system, comprising: a first sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting first wireless signals; a second sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting second wireless signals; a monitor comprising a receiver for receiving the first and second wireless signals, the monitor generating a notification” (Claim 11).

76. Claims 1, 8, 11, and 17 are the only independent claims of the '689 Patent.

77. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the '689 Patent.

78. United States Patent Number 10,499,834 (“the '834 Patent”), entitled *patient movement notification device*, names Patrick Eddy as the inventor and states an issue date of December 10, 2019. Attached as **Exhibit 6** is a copy of the '834 Patent.

79. The '834 Patent generally describes a patient movement notification device that includes a sensor pad for sensing movement of a patient and generating a signal when movement of the patient is sensed, and an electronics module for generating a notification of patient

movement in response to receipt of the signal from the sensor pad. The '834 Patent is further directed to, *inter alia*, “[a] disposable patient movement notification device, comprising: a sensor pad for sensing movement of a patient and generating a signal when movement of the patient is sensed; and an electronics module electrically coupled to said sensor pad for generating a notification of patient movement in response to receipt of the signal from said sensor pad indicating movement of the patient, wherein said electronics module permanently shuts down to become non-functional a specified time period after activation, wherein said electronics module generates an advance shutdown warning signal in advance of shutting down and transmits the advance shutdown warning signal to a nursing station” (Claim 1).

80. Claim 1 is the only independent claim of the '834 Patent.

81. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the '834 Patent.

82. United States Patent Number 10,674,940 (“the '940 Patent”), entitled *patient movement and incontinence notification system*, names Patrick Eddy and Michael Kilcran, et al., as the inventors and states an issue date of June 9, 2020. Attached as **Exhibit 7** is a copy of the '940 Patent.

83. The '940 Patent generally describes a notification system that provides notification of patient events such as movement and/or incontinence and provides for a plurality of different pressure sensor pads as well as an incontinence pad to be used in association with a single monitor. The '940 Patent is further directed to, *inter alia*, “[a] patient movement notification system, comprising: a first sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting first wireless signals; a second sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting second wireless signals; and a monitor having a receiver for receiving the first and

second wireless signals, the monitor generating a notification of patient movement in response to one of the first and second wireless signals, wherein the monitor comprises an input for allowing a user to cause the monitor to terminate responsiveness to all sensor pads from which the monitor receives wireless signals” (Claim 1); “[a] patient movement notification system, comprising: a sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting a pressure signal; and a monitor having a receiver for receiving the pressure signal from the sensor pad, the monitor generating a notification of patient movement in response to the pressure signal if the pressure signal indicates that the patient is no longer applying pressure to the sensor pad, wherein the monitor comprises a plurality of inputs and a controller coupled to the plurality of inputs, the controller is configured to reset to a factory preset condition in response to simultaneous activation of at least one of the plurality of inputs by the patient caregiver, and wherein the sensor pad is paired with the monitor and the controller only responds to pressure signals from sensor pads with which the controller is paired, the controller resets to a factory present condition by unpairing with the sensor pad” (Claim 7); and “[a] sensor device for a patient activity notification system, the sensor device comprising: a sensor for sensing a patient activity; a housing including a slot in which two electrical contacts are biased towards one another; a kill tab removably disposed in the slot to connect to an electrical wire extending between the two electrical contacts, the electrical wire permitting current to flow between the two contacts, wherein, when the kill tab is removed from the slot, the electrical wire is pulled from at least one of the two electrical contacts so that current is prevented from flowing through the two electrical contacts; and a controller coupled to the sensor for determining whether to generate a patient activity signal in response to patient activity sensed by the sensor, wherein at least one of the two electrical contacts is coupled to the controller and the controller senses whether current is flowing through the two electrical contacts, and wherein, when the controller senses that current is not flowing

through the two electrical contacts, the controller executes a shutdown routine and thereafter no longer executes any further steps or instructions so as to terminate the functionality of the sensor device” (Claim 16).

84. Claims 1, 7 and 16 are the only independent claims of the ‘940 Patent.

85. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘940 Patent.

86. United States Patent Number 10,722,146 (“the ‘146 Patent”), entitled *patient movement and incontinence notification system*, names Patrick Eddy and Michael Kilcran, et al., as the inventors and states an issue date of July 28, 2020. Attached as **Exhibit 8** is a copy of the ‘146 Patent.

87. The ‘146 Patent generally describes a patient movement notification system, an incontinence notification system, and a combined patient movement and incontinence notification system and components thereof. The ‘146 Patent is further directed to, *inter alia*, “[a] patient movement notification system, comprising: a sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting a pressure signal; and a monitor having a receiver for receiving the pressure signal from the sensor pad, and a controller coupled to the receiver, the controller determining whether the pressure signal indicates that the patient is no longer applying pressure to the sensor pad and generating a notification of patient movement in response to the pressure signal if the pressure signal indicates that the patient is no longer applying pressure to the sensor pad; and at least one light for illuminating an area of the floor near the patient, wherein the controller controls the at least one light to selectively illuminate the area of the floor near the patient, wherein the monitor further comprises a housing in which the controller and the receiver are disposed, the housing including a mount for mounting the housing to a wall, and wherein the at least one light is disposed in the housing so as to project light from

the housing to selectively illuminate the area of the floor near the patient, and wherein the monitor further includes a plurality of indicator lights for indicating a status of the sensor pad, the at least one light being separate from the plurality of indicator lights, and wherein the controller activates the at least one light in response to a determination that the pressure signal indicates that the patient is no longer applying pressure to the sensor pad” (Claim 1); “[a] patient movement notification system, comprising: a sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting a pressure signal; a light strip for selectively illuminating a path on a floor from a bed to a bathroom; and a monitor having a receiver for receiving the pressure signal from the sensor pad, the monitor generating a notification of patient movement in response to the pressure signal... wherein the monitor is communicatively coupled to the light strip for controlling the light strip to illuminate the path in response to the pressure signal if the pressure signal indicates that the patient is no longer applying pressure to the sensor pad, wherein the monitor wirelessly transmits control signals to the light strip” (Claim 4); and “[a] patient movement notification system, comprising: a sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting a pressure signal; at least one light for illuminating an area of a floor near the patient; and a monitor having a receiver for receiving the pressure signal from the sensor pad, the monitor generating a notification of patient movement in response to the pressure signal if the pressure signal indicates that the patient is no longer applying pressure to the sensor pad, wherein the monitor further includes a touchscreen display and a controller coupled to the receiver and the touchscreen display, wherein the controller is responsive to inputs received from the touchscreen display and controls images displayed on the touchscreen display, wherein the monitor further comprises a housing in which the touchscreen display, the controller, and the receiver are disposed, the housing including a mount for mounting the housing to a wall, and wherein the at least one light is disposed in the housing so as to project

light from the housing to selectively illuminate the area of the floor near the patient, and wherein the at least one light being separate from the touchscreen display” (Claim 7).

88. Claims 1, 4 and 7 are the only independent claims of the ‘146 Patent.

89. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘146 Patent.

90. United States Patent Number 10,799,153 (“the ‘153 Patent”), entitled *patient movement and incontinence notification system*, names Patrick Eddy and Michael Kilcran, et al., as the inventors and states an issue date of October 13, 2020. Attached as **Exhibit 9** is a copy of the ‘153 Patent.

91. The ‘153 Patent generally describes a patient movement notification system, an incontinence notification system, and a combined patient movement and incontinence notification system and components thereof. The ‘153 Patent is further directed to, *inter alia*, “[a] patient movement notification system, comprising: a first sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting first wireless signals; a second sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting second wireless signals; and a monitor having a receiver for receiving the first and second wireless signals, the monitor generating a notification of patient movement in response to one of the first and second wireless signals, wherein the second sensor pad is a different type of sensor pad from said first sensor pad, and wherein the first and second wireless signals include a type code that identifies the type of sensor pad from which the first and second wireless signals are sent, wherein all sensor pads of the same type have the same type code, and wherein the monitor determines from the first and second wireless signals whether one of the sensor pads sensed pressure and subsequently did not sense pressure and responds by generating notification of patient movement; and wherein the patient movement notification system further

comprising a nurse call relay device having a nurse call receiver for receiving signals from a transmitter of the monitor and a transmitter for transmitting signals to the receiver of the monitor, wherein the signals sent from the nurse call relay device include a type code that identifies the signals as coming from the nurse call relay device; and wherein the monitor is configured to respond to wireless signals from only one nurse call relay device” (Claim 1); “[a] patient movement notification system comprising: a first sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting first wireless signals; a second sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting second wireless signals; and a monitor having a receiver for receiving the first and second wireless signals, the monitor generating a notification of patient movement in response to one of the first and second wireless signals, wherein the second sensor pad is a different type of sensor pad from said first sensor pad, and wherein the first and second wireless signals include a type code that identifies the type of sensor pad from which the first and second wireless signals are sent, wherein the monitor is configured to respond to wireless signals from only one sensor pad of a particular type” (Claim 4); “[a] patient movement notification system comprising: a first sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting first wireless signals; a second sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting second wireless signals; a monitor having a receiver for receiving the first and second wireless signals, the monitor generating a notification of patient movement in response to one of the first and second wireless signals, wherein the second sensor pad is a different type of sensor pad from said first sensor pad, and wherein the first and second wireless signals include a type code that identifies the type of sensor pad from which the first and second wireless signals are sent; a toilet seat belt for securing a patient to a toilet, the toilet seat belt comprising” (Claim 8); and

“[a] patient movement notification system, comprising: a first sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting first wireless signals; a second sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting second wireless signals; and a monitor having a receiver for receiving the first and second wireless signals, the monitor generating a notification of patient movement in response to one of the first and second wireless signals, wherein the first and second wireless signals include an active code that identifies whether the sensor pad from which the first and second wireless signals are sent is either sensing pressure applied to the sensor pad or not sensing pressure, and wherein the monitor determines from the first and second wireless signals whether one of the sensor pads sensed pressure and subsequently did not sense pressure and responds by generating notification of patient movement; and wherein the monitor is configured to respond to wireless signals from only one sensor pad of a particular type” (Claim 9).

92. Claims 1, 4, 8 and 9 are the only independent claims of the ‘153 Patent.

93. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘153 Patent.

94. United States Patent Number 10,806,377 (“the ‘377 Patent”), entitled *patient movement notification system*, names Patrick Eddy and Michael Kilcran, et al., as the inventors and states an issue date of October 20, 2020. Attached as **Exhibit 10** is a copy of the ‘377 Patent.

95. The ‘377 Patent generally describes a patient movement notification system, an incontinence notification system, and a combined patient movement and incontinence notification system and components thereof. The ‘377 Patent is further directed to, *inter alia*, “[a] method of monitoring patient movement and providing notification upon detection of patient movement from a toilet, the method comprising: using a toilet seat belt for securing a patient to the toilet, the toilet seat belt comprising: a releasable clip connecting two portions of the seat belt to secure the patient;

and a clip sensor for sensing whether the releasable clip is connecting the two portions of the seat belt; and providing a signal generator for generating an alarm signal when the clip sensor detects that the releasable clip no longer senses that the releasable clip is connecting the two portions of the seat belt” (Claim 1).

96. Claim 1 is the only independent claim of the ‘377 Patent.

97. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘377 Patent.

98. United States Patent Number 10,997,847 (“the ‘847 Patent”), entitled *patient movement and incontinence notification devices*, names Patrick Eddy and Michael Kilcran as inventors and states an issue date of May 4, 2021. Attached as **Exhibit 11** is a copy of the ‘847 Patent.

99. The ‘847 Patent generally describes a patient movement notification device, an incontinence notification device, a diaper with an incontinence notification device, a combined patient movement and incontinence notification device, a combined chuck and incontinence notification device, and a combined chuck, incontinence notification device, and patient movement notification device. The ‘847 Patent is further directed to, *inter alia*, “[a]n absorbent sensing pad for use with an incontinence notification device, the absorbent sensing pad comprising: a sensor pad comprising coplanar first and second contiguous conductive tracings provided on an upper outer surface thereof for sensing moisture due to incontinence and generating a moisture detection signal ...; and an absorbent chuck comprising a moisture-impermeable sheet with an absorbent material on an upper surface thereof, wherein said moisture-impermeable sheet of said absorbent chuck having an aperture for receiving said sensor pad such that said first and second contiguous conductive tracings on said sensor pad are exposed through or above said aperture, wherein the sensor pad further comprises: a sheet having the upper surface on which said first and second

conductive tracings are provided; a pressure sensor for sensing pressure applied by a patient and generating a pressure signal upon a sensing pressure applied by the patient, the pressure sensor comprising conductive ink printed on a first surface of the sheet to form first and second conductive contacts, and a foam provided over one of said first and second conductive contacts; first and second contiguous conductive tracings provided on an upper outer surface of said sheet opposite the first surface on which said conductive ink is printed for sensing moisture due to incontinence and generating a moisture detection signal when moisture spans said first and second contiguous conductive tracings....” (Claim 1).

100. Claim 1 is the only independent claim of the ‘847 Patent.

101. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘847 Patent.

102. United States Patent Number 11,160,472 (“the ‘472 Patent”), entitled *patient incontinence notification system and incontinence pads*, names Patrick Eddy and Michael Kilcran, et al., as the inventors and states an issue date of November 2, 2021. Attached as **Exhibit 12** is a copy of the ‘472 Patent.

103. The ‘472 Patent generally describes a patient movement notification system, an incontinence notification system, and a combined patient movement and incontinence notification system and components thereof. The ‘472 Patent is further directed to, *inter alia*, “[a]n incontinence sensing system comprising: an incontinence sensor pad comprising first and second electrically conductive tracings on a surface thereof that extend to a terminal portion of the surface; and an incontinence electronic module releasably attached to the terminal portion of the surface of the incontinence sensor pad, the incontinence electronic module comprising: electrical contacts for creating an electrical connection to the first and second electrically conductive tracings, and a circuit coupled to the electrical contacts for sensing moisture across the first and second electrically

conductive tracings and for generating an incontinence alarm signal when moisture is sensed” (Claim 1); “[a]n incontinence sensing pad comprising: a substrate having a surface; a first electrically conductive tracing on the surface of the substrate, the first electrically conductive tracing includes a first conductive bus connected to a first plurality of interdigitated conductive extensions, the first conductive bus extends to a terminal portion of the surface” (Claim 18); “[a]n incontinence chuck comprising: a substrate having a surface; and an absorbent material disposed across at least a portion of the surface of the substrate, wherein the absorbent material includes a color change material” (Claim 32); and “[a]n incontinence sensing system comprising: an incontinence sensor pad ... a temperature sensor for sensing the temperature of a patient ...; and an incontinence electronic module attached to the terminal portion of the surface of the incontinence sensor pad” (Claim 35).

104. Claims 1, 18, 32 and 35 are the only independent claims of the ‘472 Patent.

105. On information and belief, Parasol is the owner, by assignment, of all right, title, and interest in the ‘472 Patent.

106. United States Patent Application No. 2022/0054047 (“the ‘047 Application”), entitled *patient incontinence notification system and incontinence pads*, names Patrick Eddy and Michael Kilcran, et al., as the inventors and was published on February 24, 2022. A copy of the published application is attached as **Exhibit 13**.

107. The ‘047 Application is directed to “[a] patient movement notification system, comprising: a bed sensor pad comprising a pressure sensor for sensing pressure applied by a patient on a bed, and a transmitter circuit for transmitting first wireless signals; a chair sensor pad comprising a pressure sensor for sensing pressure applied by the patient when on a chair, and a transmitter circuit for transmitting second wireless signals; and a monitor having a receiver for receiving the first and second wireless signals, the monitor generating a notification of patient

movement in response to one of the first and second wireless signals, wherein the first and second wireless signals include information from which the monitor may identify the type of sensor pad from which the first and second wireless signals are sent, and wherein the monitor determines from the first and second wireless signals whether one of the sensor pads sensed pressure and subsequently did not sense pressure and responds by generating notification of patient movement” (Claim 1); “[a] patient movement notification system, comprising: a bed sensor pad comprising a pressure sensor for sensing pressure applied by a patient on a bed, and a transmitter circuit for transmitting first wireless signals; a chair sensor pad comprising a pressure sensor for sensing pressure applied by the patient when on a chair, and a transmitter circuit for transmitting second wireless signals; a toilet sensor pad” (Claim 12); “[a] notification system for providing patient movement notification and incontinence notification, the notification system comprising: a sensor pad comprising a pressure sensor for sensing pressure applied by a patient, and a transmitter circuit for transmitting a pressure signal; an incontinence sensor for sensing moisture due to incontinence; a transmitter associated with the incontinence sensor for transmitting a moisture detection signal in response to the incontinence sensor; and a monitor having a receiver for receiving the pressure signal from the sensor pad and the moisture detection signal, the monitor generating a notification of patient movement in response to the pressure signal if the pressure signal indicates that the patient is no longer applying pressure to the sensor pad, generates a notification of incontinence in response to receipt of the moisture detection signal, wherein the monitor comprises a hold input for allowing a patient caregiver to prevent generation of a notification of patient movement in response to the pressure signal from the sensor pad for a first predetermined time period after the hold input has been activated by the patient caregiver to allow the patient caregiver to temporarily remove the patient from the sensor pad, and wherein, when the hold input is activated, the monitor

responds by preventing generation of a notification of incontinence for a second predetermined time period after the hold input has been activated by the patient caregiver” (Claim 15).

108. Parasol claims to own all rights to the ‘047 Application.

109. Plaintiffs do not sell or offer for sale any products which contain sensor pads, sensors, toilet sensors, sensors of any kind, transmitter circuits, monitors, receivers, incontinence chucks, incontinence electric modules, diapers, lights, toilet seat belts, touchscreen displays, or any other features as claimed in the Asserted Patents.

110. Plaintiffs do not sell or offer for sale, manufacture, or import any products, and have never sold, offered for sale, manufactured or imported any products which infringe, either literally or under the doctrine of equivalents, the claims of the Asserted Patents.

111. Any assertion that Plaintiffs have infringed the Asserted Patents is objectively false and baseless and otherwise made in bad faith.

Defendants’ Letters Decimate Plaintiffs’ Business

112. The Defendants’ Letters have been catastrophic to Plaintiffs’ business, which was Defendants’ desired result when the letters were contemplated and, ultimately, sent.

113. As a direct result of the Defendants’ Letters, MESA terminated its relationship with both AIM and Inspired, costing both parties millions of dollars in anticipated revenue. MESA has confirmed with Plaintiffs that it will not work with either party any longer because of the false allegations contained in the letter it received from Defendants.

114. Inspired has not been able to sell a single product since MESA terminated their distributor arrangement and Inspired has not yet been able to find a replacement distributor.

115. Worldwide also terminated its relationship with Inspired and representatives of Worldwide have not returned any phone calls or messages sent by representatives of Inspired. The

loss of Worldwide as a supplier and potential manufacturer has crippled Inspired's product development.

116. AIM and Inspired have also suffered significant reputational damage since the Defendants' Letters have been circulated.

117. Inspired is on the verge of being wiped out as a business completely, all as a direct and proximate result of the sending of the Defendants' Letters as well as the subsequent conversations between Kilcran, Price Heneveld and MESA as described in paragraph 68 of this Complaint.

COUNT I
Declaration of Non-Infringement of Patents
(28 U.S.C. §§ 2201, 2202, 35 U.S.C. § 1 *et seq*)
(AIM and Inspired against Parasol)

118. Plaintiffs repeat and reallege paragraphs 1 through 117 hereof, as if fully set forth herein.

119. There is an actual controversy within the jurisdiction of this Court under 28 U.S.C. §§ 2201 and 2202.

120. On or around March 7, 2024, Parasol, through its agent and attorneys, Price Heneveld, including Mr. Terry Callaghan, sent the AIM Letter. *See Ex. 1.* The AIM Letter accused AIM of, *inter alia*, infringing the Asserted Patents through the sale and offer for sale of its mattress and related products, including the AIM Products.

121. On or around March 7, 2024, Parasol, through its agent and attorneys, Price Heneveld, including Mr. Callaghan, sent the Inspired Letter. *See Ex. 2.* The Inspired Letter accused Inspired of, *inter alia*, infringing the Asserted Patents through the sale and offer for sale of its mattress and related products, including the Inspired Products.

122. Based on the foregoing, a justiciable controversy exists between Plaintiffs and Parasol as to whether Plaintiffs' products infringe the Asserted Patents.

123. Absent a declaration of non-infringement, Parasol and the other Defendants will continue to wrongfully allege that Plaintiffs' products (including but not limited to the AIM Products, the Inspired Products (and the Wiggle Advanced Therapy Mattress)) infringe the Asserted Patents, and thereby cause Plaintiffs irreparable injury and damage.

124. The AIM Products, the Inspired Products (and the Wiggle Advanced Therapy Mattress), do not infringe the Asserted Patents because the products do not contain at least one element from each of the Asserted Patents either literally, or under the doctrine of equivalents.

125. As a result of the acts described in the preceding paragraphs, there exists a controversy of sufficient immediacy and reality to warrant the issuance of a declaratory judgment of non-infringement, especially given Plaintiffs' direct loss of customers and other business relationships stemming from Defendants' allegations of patent infringement.

126. A judicial declaration is necessary and appropriate so that Plaintiffs may ascertain their rights regarding their air mattress products and the Asserted Patents.

127. Plaintiffs are entitled to a declaratory judgment that Plaintiffs have not infringed and do not infringe, either directly or indirectly, any valid and enforceable claims of the Asserted Patents under 35 U.S.C. § 271.

COUNT II
Tortious Interference with Contract
(AIM and Inspired against all Defendants)

128. Plaintiffs repeat and reallege paragraphs 1 through 127 of this Complaint, as if fully set forth herein.

129. Defendants have engaged in tortious interference with contract with both AIM and Inspired under Illinois law or other applicable state law.

130. Defendants have interfered with the agreement between AIM and MESA for the distribution of AIM Products as well as between MESA and Inspired for the distribution of the

Inspired Products, and the relationship between Inspired and Worldwide, by sending the Defendants' Letters or otherwise falsely alleging, *inter alia*, patent infringement as described in paragraphs 48 through 68 of this Complaint.

131. Defendants were aware of the agreements and relationships between MESA and AIM as more fully set forth in paragraphs 15-21, and 25 of this Complaint, and learned of the agreement and relationships through the information improperly received and shared in discovery by Medtec in the Related Litigation.

132. Defendants were aware of the agreement and relationships between Inspired and MESA, as more fully set forth in paragraphs 18, 23, 25, and 61 of this Complaint, and learned of the agreement and relationships through the information improperly received and shared in discovery by Medtec in the Related Litigation.

133. Defendants were aware of the agreement and relationship between Inspired and Worldwide for the development and supply of products, as more fully set forth in paragraphs 25 through 27 of this Complaint, and learned of that agreement and relationship through the information improperly received and shared in discovery by Medtec in the Related Litigation.

134. Defendants acted with intent to cause MESA to terminate its agreement and distributor relationship with AIM and the sending of the Defendants' Letters resulted in MESA terminating that agreement and relationship.

135. Defendants acted with intent to cause MESA to terminate its agreement and distributor relationship with Inspired and the sending of the Defendants' Letters resulted in MESA terminating that agreement and relationship.

136. Defendants acted with intent to cause Worldwide to terminate its agreement and/or relationship with Inspired and the sending of the Defendants' Letters or otherwise communicating,

inter alia, their false claims for infringement of the Asserted Patents to Worldwide, resulted in Worldwide terminating that agreement and relationship.

137. AIM was harmed as a result of Defendants' acts of interference including harm in the form of loss of reputation and loss of revenues which it would have been entitled to under the agreement between AIM and MESA.

138. Inspired was harmed as a result of Defendants' acts of interference including harm in the form of loss of reputation and loss of revenues, estimated at over \$10 million, which it would have been entitled to under the agreement between Inspired and MESA.

139. Inspired was harmed as a result of Defendants' acts of interference including harm in the form of loss of reputation and loss of revenues, which it would have been entitled to under the agreement between Inspired and Worldwide.

140. There was no privilege or justification to excuse Defendants' sending of the Defendants' Letters in that the allegations that Plaintiffs infringed the Asserted Patents through the sale and offer for sale of the AIM Products and the Inspired Products was and is false and objectively baseless and made in bad faith. There is no reasonable argument that the AIM Products and the Inspired Products (including the Wiggle Advanced Therapy Mattress) infringe the Asserted Patents.

141. Defendants' conduct as alleged herein was oppressive and was taken with the intent of subjecting Plaintiffs to cruel and unjust hardship.

142. Defendants' conduct was malicious and was undertaken with the specific intent of causing Plaintiffs tangible and intangible harm.

143. Defendants' conduct as alleged herein was otherwise willful, wanton, and made with reckless disregard for the rights and business interests of Plaintiffs.

144. Defendants' conduct as alleged herein warrants and justifies an award of punitive damages.

COUNT III
Tortious Interference with Prospective Economic Advantage
(AIM and Inspired against all Defendants)

145. Plaintiffs repeat and reallege paragraphs 1 through 144 of this Complaint, as if fully set forth herein.

146. AIM had a valid business relationship with MESA as described in paragraphs 18, 23, 25, and 61 herein.

147. Inspired had a valid business relationship with MESA as described in paragraphs 18, 23, 25, and 61 herein.

148. Inspired had a valid business relationship with Worldwide as described in paragraphs 25 through 27 herein.

149. Defendants were aware of AIM's relationship with MESA and obtained this knowledge through improperly issued and received discovery from Eddy and Medtec in the Related Litigation.

150. Defendants were aware of Inspired's relationships with MESA and Worldwide and obtained such knowledge through improperly issued and received discovery from Eddy and Medtec in the Related Litigation.

151. Defendants acted intentionally to interfere with AIM's relationship with MESA, as well as other yet to be identified customers or potential customers, by sending the Defendants' Letters to those parties containing, *inter alia*, false allegations of infringement of the Asserted Patents.

152. Defendants acted intentionally to interfere with Inspired's relationships with MESA, Worldwide, and other yet to be identified customers or potential customers, by sending the

Defendants' Letters to those parties containing false allegations of, *inter alia*, infringement of the Asserted Patents.

153. Defendants' actions were malicious and intentional and made in bad faith.

154. Defendants' actions resulted in tortious injury to AIM in the form of loss of reputation, loss of customers, loss of revenues, and loss of the relationship it had with MESA for the distribution of the AIM Products.

155. Defendants' actions resulted in tortious injury to Inspired in the form of loss of reputation, loss of over \$10 million dollars in revenues, loss of the distributor relationship with MESA, and other, yet to be identified, losses of customers or potential customers. Inspired has likewise lost out on the projected revenues associated with its new, under development, Wiggle Advanced Therapy Mattress product.

156. In addition, both Plaintiffs have further suffered harm in the form of being prevented from engaging in further product development, placing them behind other competitors in the industry.

157. Defendants' actions resulted in tortious injury to Inspired in the form of loss of potential revenues stemming from the relationship between Inspired and Worldwide to develop new, innovative products for production and sale.

158. AIM has sustained direct damages in an amount to be determined at trial.

159. Inspired has sustained direct damages in an amount to be determined at trial, but in any event no less than \$10 million through the loss of MESA as its distributor.

160. Plaintiffs have otherwise sustained damages, including but not limited to lost profits, lost opportunity, consequential damages, and damage to reputation. These present special damages and their precise amount and character will be determined at trial.

161. There was no privilege or justification to excuse Defendants' sending of the Defendants' Letters in that the allegations that Plaintiffs infringed the Asserted Patents through the sale and offer for sale of the AIM Products and the Inspired Products was and is objectively baseless and made in bad faith. There is no reasonable argument that the AIM Products and the Inspired Products (including the Wiggle Advanced Therapy Mattress) infringe the Asserted Patents.

162. The AIM Products, the Inspired Products (and the Wiggle Advanced Therapy Mattress), do not infringe the Asserted Patents because the products do not contain at least one element from each of the Asserted Patents either literally, or under the doctrine of equivalents.

163. Defendants' conduct as alleged herein was oppressive and was taken with the intent of subjecting Plaintiffs to cruel and unjust hardship.

164. Defendants' conduct was malicious and was undertaken with the specific intent of causing Plaintiffs tangible and intangible harm.

165. Defendants' conduct as alleged herein was otherwise willful, wanton, and made with reckless disregard for the rights and business interests of Plaintiffs.

166. Defendants' conduct as alleged herein warrants and justifies an award of punitive damages.

COUNT IV
Trade Libel/Commercial Disparagement
(AIM and Inspired against all Defendants)

167. Plaintiffs repeat and reallege paragraphs 1 through 166 of this Complaint, as if fully set forth herein.

168. As alleged in the preceding paragraphs 48 through 68, Defendants have made false and misleading statements to Plaintiffs' distributors, manufacturers, suppliers, customers, potential

customers, and other third parties disparaging the quality of Plaintiffs' services by false accusing AIM and Inspired of, *inter alia*, infringing the Asserted Patents.

169. Defendants intentionally published and distributed to the public false, misleading, and deceptive statements with the specific intent to decrease Plaintiffs' sale of products and damage Plaintiffs' sales, business operations and business reputation.

170. Defendants intended for the publication of its statements to deceive the recipients of the Defendants' Letters and result in harm to the pecuniary interests of Plaintiffs.

171. Plaintiffs have already suffered direct harm, as outlined in paragraphs 112 through 117, above, through the loss of customers, distributors and/or a manufacturer and all lost revenues associated with same.

172. Defendants should have recognized that their statements set forth in the Defendants' Letters would or will result in harm to the pecuniary interests of Plaintiffs.

173. In addition to the specific statements and acts alleged in this Complaint, after a reasonable opportunity for further investigation or discovery, there is likely to be evidentiary support that Defendants engaged in additional similar actions that constitute trade libel or commercial disparagement.

174. By reason of the acts alleged herein, Plaintiffs are likely to suffer, have suffered, are suffering, and will continue to suffer monetary and irreparable damage, loss of customers, loss of distributors, loss of manufacturers and suppliers, and harm to reputation unless Defendants are restrained from continuing their wrongful acts, the damage to Plaintiffs will be increased.

175. Plaintiffs have been and are required to expend time and resources in attempting to assuage customer concerns brought on by Defendants' false and misleading statements, including the false allegations of infringement of the Asserted Patents.

176. The aforesaid acts of Defendants constitute trade libel or commercial disparagement in violation of Illinois, Kentucky, Florida, Michigan and/or any other applicable state law.

177. Defendants' conduct as alleged herein was oppressive and was taken with the intent of subjecting Plaintiffs to cruel and unjust hardship.

178. Defendants' conduct was in bad faith, was malicious and was undertaken with the specific intent of causing Plaintiffs tangible and intangible harm.

179. Defendants' conduct as alleged herein was otherwise willful, wanton, and made in bad faith with reckless disregard for the rights and business interests of Plaintiffs.

180. Defendants' conduct as alleged herein warrants and justifies an award of punitive damages.

COUNT V
Illinois Uniform Deceptive Trade Practices Act
(815 ILCS 510 *et seq.*)
(AIM and Inspired against All Defendants)

181. Plaintiffs repeat and reallege paragraphs 1 through 180 of this Complaint, as if fully set forth herein.

182. The actions of Defendants as alleged in paragraphs 49 through 68 herein, including but not limited to the sending of the Defendants' Letters and the subsequent conversations between Kilcran, Price Heneveld and MESA as described in paragraph 68 of this Complaint, violate the provisions of the Illinois Uniform Deceptive Trade Practices Act.

183. Defendants have engaged in deceptive acts or practices through the sending of the Defendants' Letters, as well as the subsequent conversations between Kilcran, Price Heneveld and MESA as described in paragraph 68 of this Complaint, the contents of which disparage the quality

of the goods and services of Plaintiffs through, *inter alia*, the false and misleading assertion that Plaintiffs were infringing the Asserted Patents.

184. Defendants intended for the recipients of the Defendants' Letters to rely upon the false and misleading assertions of patent infringement to the detriment of Plaintiffs.

185. Defendants' deceptive acts occurred in the course of trade and were made to customers or potential customers of Plaintiffs.

186. Defendants have acted in bad faith in sending the Defendants' Letters and alleging infringement of the Asserted Patents and otherwise acted with reckless disregard of Plaintiffs' rights.

187. Plaintiffs have lost customers, distributors and manufacturers as a result of the Defendants' deceptive acts or trade practices.

188. Plaintiffs are entitled to injunctive relief to prevent Defendants from further disparagement of their goods and services.

COUNT VI
Illinois Consumer Fraud and Deceptive Trade Practices Act
(815 ILCS 505 *et seq*)
(AIM and Inspired against All Defendants)

189. Plaintiffs repeat and reallege paragraphs 1 through 188 of this Complaint, as if fully set forth herein.

190. The actions of Defendants as alleged in paragraphs 48 through 68 herein, including but not limited to the sending of the Defendants' Letters and the subsequent conversations between Kilcran, Price Heneveld and MESA as described in paragraph 68 of this Complaint, violate the provisions of the Illinois Consumer Fraud and Deceptive Trade Practices Act.

191. Defendants have engaged in deceptive acts or practices through the sending of the Defendants' Letters, as well as the subsequent conversations between Kilcran, Price Heneveld and MESA as described in paragraph 68 of this Complaint, the contents of which disparage the quality

of the goods and services of Plaintiffs through, *inter alia*, the false and misleading assertion that Plaintiffs were infringing the Asserted Patents.

192. Defendants intended for the recipients of the Defendants' Letters to rely upon the false and misleading assertions of patent infringement to the detriment of Plaintiffs.

193. Defendants' deceptive acts occurred in the course of trade and were made to customers or potential customers of Plaintiffs.

194. Defendants have acted in bad faith in sending the Defendants' Letters and alleging infringement of the Asserted Patents and otherwise acted with reckless disregard of Plaintiffs' rights.

195. Plaintiffs have lost customers, distributors and manufacturers as a direct and proximate result of the Defendants' deceptive acts or trade practices, as more fully alleged in paragraphs 112 and 117 herein.

196. Plaintiffs are entitled to, *inter alia*, injunctive relief to prevent Defendants from further disparagement of their goods and services.

COUNT VII
Aiding and Abetting
(AIM and Inspired against Medtec and Price Heneveld)

197. Plaintiffs repeat and reallege paragraphs 1 through 196 of this Complaint, as if fully set forth herein.

198. As set forth and alleged in paragraphs 48 through 68, herein, Defendants' sending of the Defendants' Letters was false, misleading, objectively baseless, in bad faith, and designed to injure Plaintiffs.

199. The sending of the Defendants' Letters caused direct and proximate harm to Plaintiffs in that their distributors and Inspired's manufacturer and supplier terminated their

relationship with Plaintiffs, resulting in loss of revenues, loss of goodwill, and damage to reputation.

200. Medtec improperly received information from discovery in the Related Litigation and knowingly and improperly relayed that information to Parasol and Price Heneveld so that the Defendants' Letters could be sent.

201. Medtec knowingly and substantially assisted the other Defendants' acts of interference and commercial disparagement by providing information to Defendants such that Defendants would know where and to whom to send the Defendants' Letters. The Defendants' Letters could not have been sent without the help of Medtec.

202. Price Heneveld knowingly and substantially assisted the other Defendants' acts of interference and commercial disparagement by authoring and sending the Defendants' Letters knowing they contained false, misleading and objectively baseless assertions of, *inter alia*, patent infringement.

RELIEF REQUESTED

WHEREFORE, Plaintiffs request judgment against Defendants as follows:

1. That the Court enter a declaratory judgment that the AIM Products and the Inspired Products (including the Wiggle Advanced Therapy Mattress) do not infringe, either directly or indirectly, the Asserted Patents and/or that the Plaintiffs have not otherwise infringed the Asserted Patents, either directly or indirectly.

2. That judgment enter that Defendants and each of their officers, directors, agents, counsel, servants, employees, and all of persons in active concert or participation with any of them, be restrained and enjoined from alleging, representing, or otherwise stating that Plaintiffs infringe any claims of the Asserted Patents or from instituting or initiating any action or proceeding alleging

infringement of any claims of the Asserted Patents against Plaintiffs or any distributors, customers, manufacturers, users, importers, or sellers of Plaintiffs' products.

3. That judgment enter declaring Plaintiffs as the prevailing party and this case as exceptional, and awarding Plaintiffs their reasonable attorneys' fees, pursuant to 35 U.S.C. § 285.

4. That Judgment enter against Defendants, jointly and severally, for such damages as may be established at trial, including compensatory damages, loss of revenues and profits, and an amount for punitive damages.

5. That Defendants, jointly and severally, be ordered to pay all attorneys' fees, pre and post-judgment interest, expenses, and costs associated with this action; and

6. That judgment enter awarding such other and further relief as this Court deems just and proper.

JURY DEMAND

PLAINTIFFS HEREBY DEMAND A TRIAL BY JURY FOR ALL ISSUES SO TRIABLE

Dated: July 12, 2024

Respectfully submitted,

s/ Robert J. Theuerkauf

Robert J. Theuerkauf (Member, N.D. Ill. Bar)

Brian P. McGraw (Member, N.D. Ill. Bar)

Matt P. Dearmond (*pro hac* to be filed)

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