UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

FOTO ELECTRIC SUPPLY CO., INC., Plaintiff, v. MARUT ENTERPRISES LLC AND BRETT MARUT, Defendant.	Civil Action No. (JURY TRIAL DEMANDED)

COMPLAINT

Plaintiff Foto Electric Supply Co., Inc. ("Fesco" or "Plaintiff"), by its attorneys, hereby complains of Defendants Marut Enterprises LLC ("Marut Enterprises") and Brett Marut ("Mr. Marut") (collectively "Defendants") as follows:

INTRODUCTION

1. Fesco brings this action seeking a declaratory judgment that Fesco's second generation GEM 107/108 with a 150 degree angle ("New Products") do not infringe Defendants' United States Patent No. 7,856,725 ("the '725 Patent"), that the '725 Patent is invalid and/or unenforceable, and that the Defendants are engaged in patent misuse, and in anticompetitive behavior in violation of law, including the antitrust laws.

THE PARTIES

2. Foto Electric Supply Co., Inc. is a New York corporation having a principal place of business at 1 Rewe Street, Brooklyn, New York 11211.

3. Marut Enterprises LLC is a California limited liability company having a principal place of business at 1855 West Katella Ave, Ste 365, Orange, California 92867.

4. Brett Marut is an individual residing in Miami Beach, Florida.

JURISDICTION AND VENUE

5. This is an action arising under the Patent Laws of the United States, 35 U.S.C. §§101 and 171 *et seq*. and under the Federal Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202.

6. This Court has jurisdiction over the federal claims of this action pursuant to 28 U.S.C. §1331, 28 U.S.C. §1338, and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202.

7. This Court has personal jurisdiction over Defendants and venue in this district is proper pursuant to 28 U.S.C. §1391(b) and (c) because Defendants have engaged in acts constituting doing business in the State of New York, including in this judicial district. Defendants transact and do business in this district, including selling and promoting products containing the patented invention. In addition, Defendants have directed communications to, and engaged in communications with, Plaintiff in New York regarding this matter.

FACTS

8. Fesco is a company that sells consumer products, including shavers.

9. Fesco sells its New Products, having a maximum 150 degree angle, to customers in the United States. Images of the New Products are attached as Exhibit 1.

10. On August 2, 2023, Marut filed a complaint against Fesco for infringement of the ‘725 Patent by two of Fesco’s previous products, the original versions of the Gem107 and 108 products (“Original Products”). *See, Marut Enterprises LLC and*

Brett Marut v. Foto Electric Supply Co., Inc., Case No. 1:23-cv-5875 (E.D.N.Y. 2023) ("the Previous Case").

11. Defendants amended that complaint on October 5, 2023.

12. Although the Previous Case has settled with respect to Fesco's Original Products, Defendants were unwilling to release the New Products in that Previous Case. Defendants contended that the New Products also infringe the '725 Patent, and reserved the right to sue Fesco over Fesco's sales and offers for sale of the New Products.

13. The New Products, however, do not infringe the '725 Patent.

14. As a result of the foregoing, an actual, present, and justiciable controversy exists between Fesco and Defendants; and Fesco has a reasonable apprehension that it will face another infringement suit by Defendants, namely, over the New Products.

PLAINTIFF'S NON-INFRINGEMENT OF THE '725 PATENT

15. The '725 Patent is titled "Razor With Articulated Handle Extension" and was issued by the U.S. Patent and Trademark Office on December 28, 2010. Exhibit 2.

16. Upon information and belief, Mr. Marut maintains that he owns the '725 Patent.

17. Upon information and belief, Marut Enterprises maintains that it possesses the exclusive right to manufacture, market, and sell the devices claimed in the '725 Patent.

18. Legally, the '725 Patent is limited to the scope of its claims.

19. Fesco's New Products do not infringe the '725 Patent because the New Products do not fall within the scope of the patent's independent claims, either literally or under the doctrine of equivalents.

20. Since the New Products do not fall under the scope of the independent claims, the dependent claims cannot be infringed either. *See e.g., Wahpeton Canvas Co., Inc. v. Frontier Inc.*, 870 F.2d 1546, 1552 n.9, 1553 (Fed. Cir. 1989) ("It is axiomatic that dependent claims cannot be found infringed unless the claims from which they depend have been found to have been infringed").

21. Moreover, since the '725 Patent is invalid, Fesco's New Products cannot infringe an invalid patent.

THE INVALIDITY OF THE '725 PATENT

22. The '725 Patent is invalid for failure to comply with one or more of the conditions for patentability set forth in the Patent Laws of the United States Code, Title 35 including but not limited to, Sections 102, 103, and 112.

23. The '725 Patent should be declared invalid due to the fact that, *inter alia*, it is anticipated by and/or obvious over the prior art under 35 U.S.C. §§102 and 103 respectively, and/or is invalid under 35 U.S.C. §112, including, but not limited to, indefiniteness, and lack of written description.

COUNT I

(Declaration of Non-Infringement of the '725 Patent)

24. Fesco repeats and re-alleges each and every allegation set forth in the preceding paragraphs of this Complaint.

25. By law, if even one limitation of a patent claim is not present (literally or equivalently) in an accused product, then the product cannot infringe that claim.

26. Fesco's New Products do not contain multiple limitations of the '725 Patent claims.

27. For example, the '725 Patent claims require "two flush parallel surfaces extending across the side plates to the outer surfaces of the first and second handle sections." Thus, Fesco's device must contain two flush and parallel surfaces to infringe. But Fesco's New Products do not have either of these features.

28. As to the first limitation, the surfaces of Fesco's "side plates" are not flush with the outer surface of the handle. On the contrary, the side plates are recessed. Marut's own picture in the Previous Case's Amended Complaint shows that the New Products ***lack*** the "two flush .. surfaces."[1] The space between the red line and silver side plate shows that the silver plate is **not** flush with the outer surface of the black handle. *See*, Dkt. 15 at 11 in the Previous Case (Exhibit 3). On the contrary, the silver plate on each side of the handles is **recessed below** the black handle's outer surface.

29. As to the second limitation, to be "parallel," the two outer surfaces of the silver plates of the New Products must be "an equal distance apart everywhere." But they are not. Because the surfaces curve inward, some parts of the two outer surfaces are a closer distance to each other, and other parts are farther from each other. In other words, the New Products do not have "two . . . parallel surfaces." Two opposing domes are not

[1] The Original Products, which were the subject of the previous lawsuit and the New Products, contain the same "recessed" silver plates.

"parallel," by definition. *See*, Dkt. 15 at 18 in the Previous Case (Exhibit 3). If imaginary lines are drawn on the curved surface of the domes and extended, the lines hit each other, which is the very opposite of the definition of parallel. For this reason, there cannot be infringement.[2]

30. Further, the claim language requires that "the second handle section is pivoted in a first direction to a first retracted position side-by-side the [sic] first handle section, and pivoted in a second direction to a second extended position with respect to the first handle section, wherein the first and second engageable surfaces engage each other to limit the pivoting of the handle sections with respect to each other at the second extended position *to an angle of no more than 135 degrees*" (emphasis added). Exhibit 2, col. 4, claim 1.

31. As such, the plain language of the '725 patent claims require that the first and second engageable surfaces engage each other to limit the pivoting of the handle sections at an angle of no more than 135 degrees.

32. Moreover, the relevant patent language, limiting the claims to products having an angle of no more than 135 degrees, was added during patent prosecution to overcome rejections by the Examiner. *See*, Exhibit 4 (Claim 16 ultimately was issued as Claim 1 of the '725 Patent).

33. Mr. Marut also submitted a declaration under penalty of perjury to the Patent Office that the "commercial success" of his product was due to the features listed

[2] The products that were the subject of the previous lawsuit and the New Products contain the same non-parallel surfaces.

in his patent claim, including the requirement of limiting the pivoting to 135 degrees. *See*, Exhibit 5, Declaration Under 37 C.F.R. §1.132 dated July 2, 2009, at ¶5.

34. Defendants' current contention that the New Products infringe is based on language in the specification that describes the angle of the product as being between 135 and 150 degrees.

35. However, the claims of a patent, not its specification, define the scope of the right to exclude.

36. By limiting their claim language, Defendants limited their rights to products having an angle of no more than 135 degrees, and waived or forfeited all rights to products with an angle greater than 135 degrees.

37. In contrast to the requirements of the patent claim, the New Products' first and second engageable surfaces pivot at an angle of 150 degrees. *See*, Exhibit 1.

38. It is undeniable that an angle of 150 degrees is not an "angle of no more than 135 degrees."

39. Since the claims are limited to products having an angle of no more than 135 degrees, the New Products, having an angle of 150 degrees, cannot infringe.

40. The '725 Patent was issued after a protracted process of more than four years of prosecution history (*see*, front page of the '725 Patent, Exhibit 1), with eight rejections of the claims (a remarkably high number).

41. As shown therein, the Examiner added the "two flush parallel surfaces" limitations on September 22, 2010, in a reply to a July 23, 2010 Response by Marut to an

April 27, 2010 Office rejection. Exhibit 6, at pg. 2). He added the phrase "two flush parallel" to claim 16's "surfaces". *Id.*[3]

42. In the Examiner's statement of reasons for allowance, the Examiner recorded for the public record that these features were added to overcome the Leventhal prior art, so that Marut could obtain issuance of the patent:

> The following is an examiner's statement of reasons for allowance: the closest prior art is found to be Leventhal (US 7,103,980) as set forth previously. Leventhal discloses substantially all the features of the present claim, and renders the claim obvious in light of Huang and Erlich as set forth previously, except that the prior art as a whole does not make obvious the combination of a pivotable razor assembly including a very detailed and specific detent assembly for the release of the extension of one of the handle members and additionally to include a specialized two plate connector to allow the relative pivoting of the handle sections, where the connecting member is connected to the handle sections in a way to make them flush with the sides of both the first and second handle portions. this specific feature in combination with the specific detent required, in the specific field of pivoting razor handle extensions is not seen to be obvious since there is no rationale to provide it. A simple connection and simple detent would work as well, and be less costly, and there is no reason to provide such a specialized assembly instead of that offered by Leventhal.

Exhibit 6 (highlighting added).

43. It is indisputable that the "two flush parallel surfaces" limitations were added during prosecution to overcome the cited Leventhal prior art and obtain issuance of the patent. *Id.*

44. The 135 degrees limitation was likewise added by Mr. Marut during prosecution to overcome the Patent Office's rejections of Mr. Marut's patent application

[3] As the Examiner stated: "In claim 16 [which became claim 1 upon issuance] line 26 'a flush' has been changed to –two flush parallel–". Exhibit 6 at pg. 2.

based on the prior art. As Mr. Marut's attorney stated: "In addition, claim 16 [which became Claim 1 upon issuance] has been amended to reintroduce the limitation that the pivoting of the handle sections with respect to each other is limited at the second extended position *to an angle of no more than 135 degrees*." *See*, Exhibit 4 (emphasis added).

45. Since the New Products do not meet the flush, parallel, or angular requirements of the claims, the New Products cannot literally infringe.

46. The New Products do not infringe under the doctrine of equivalents either.

47. Since the '725 Patent claims were amended to get over the Patent Office's rejection based on the prior art, those amendments foreclose Defendants from asserting infringement under the doctrine of equivalents.

48. To that end, it is well-established that "[p]rosecution history estoppel applies as part of an infringement analysis to prevent a patentee from using the doctrine of equivalents to recapture subject matter surrendered from the literal scope of a claim during prosecution." *Trading Techs. Int'l, Inc. v. Open E Cry, LLC*, 728 F.3d 1309, 1322 (Fed. Cir. 2013).

49. Accordingly, Fesco seeks a declaratory judgment that its manufacture, use, offer for sale, sale and/or importation of the New Products does not infringe on the '725 Patent either literally or under the doctrine of equivalents, i.e., that Fesco does not violate any of Defendants' asserted patent rights under federal law.

COUNT II

(Declaration of Invalidity of the '725 Patent)

50. Fesco repeats and re-alleges each and every allegation set forth in the preceding paragraphs of this Complaint.

51. Fesco seeks declaratory judgment that the '725 Patent is invalid, for at least these grounds, and for any and all other grounds of invalidity available under federal law, the Patent Act, including, but not limited to, 35 U.S.C. §§ 102, 103, and 112.

52. To the extent that Marut attempts to construe the claims of the '725 patent to include a back razor that has an angle of over 135 degrees (such as the New Products that have a 150 degree angle) the patent would be invalid under 35 U.S.C. §§ 102 and/or 103 over the prior art, including but not limited to, the Leventhal prior art reference cited in the file history.

53. Moreover, under 35 U.S.C. §112, a patent claim must be sufficiently clear to allow one skilled in the art to understand what is claims. When the claim does not have a clear and definite meaning when construed in light of the complete patent, the patent claim is rendered invalid.

54. Likewise, under 35 U.S.C. §112 a patent must have a written description of the claimed subject matter.

55. Nowhere in the '725 Patent is there any written description of the terms "flush" and "parallel surfaces."

56. As such, all claims of the '725 Patent which contain these terms are indefinite and thus invalid.

57. Moreover, since the Defendants contend that the '725 patent covers products with an angle greater than 135 degrees, contrary to its express claim language limiting the patent to products of **no more than 135 degrees**, the language of the '725 Patent is vague and ambiguous under Defendants' contention, making it legally indefinite, and invalid for this reason as well.

COUNT III

(Patent Misuse)

58. Fesco repeats and re-alleges each and every allegation set forth in the preceding paragraphs of this Complaint.

59. By asserting a patent that they knew, or should have known, is not infringed and/or is invalid, Defendants have engaged in, and continue to engage in, patent misuse.

60. The '725 Patent is unforceable due to Defendants' conduct and patent misuse.

COUNT IV

(Declaration of Lack of Damages and Relief to Defendants)

61. Fesco repeats and re-alleges each and every allegation set forth in the preceding paragraphs of this Complaint.

62. Fesco seeks a declaratory judgment that Defendants are not entitled to any monetary damages, or other relief (whether injunctive or otherwise), from Fesco's alleged activities with respect to the New Products (including, for example, Fesco's sale,

offer for sale, import, and use of those products), because the '725 Patent is invalid, unenforceable, and/or not infringed by Fesco.

COUNT V

(Defendants' Antitrust Liability for Treble Fesco's Attorneys' Fees)

63. Fesco repeats and re-alleges each and every allegation set forth in the preceding paragraphs of this Complaint.

64. No reasonable party could assert that Fesco's New Products infringe the '725 Patent.

65. Defendants and their attorneys fully know, or should know, that they are trying to assert the '725 Patent beyond its legal scope.

66. Defendants' continuing infringement allegations against Fesco's New Products are part of a continuing pattern of asserting baseless intellectual property claims in bad faith. They are a mere sham to cover what is nothing more than an attempt to interfere with the business and business relationships of a competitor.

67. Defendants are asserting the '725 Patent beyond its legal scope in bad faith, as part of an attempt to monopolize the market for pivoting back shavers.

68. Defendants are using patent claims in bad faith to try to eliminate the products of a competitor who does not infringe.

69. Defendants have engaged in, and are engaging in, predatory and anticompetitive conduct with a specific intent to monopolize the market, and with a dangerous probability of achieving monopoly power in that market via their bad faith, in violation of law, including, but not limited to, Section 2 of the Sherman Act.

70. To the extent that Defendants do not drop their frivolous allegations, and to the extent that they continue to assert that Fesco's New Products infringe, Defendants are subject to antitrust liability for Defendants' bad faith anticompetitive behavior.

71. Defendants are liable for Fesco's trebled attorneys' fees incurred because of Defendants' conduct, as antitrust damages for Defendants' bad faith.

JURY TRIAL DEMAND

72. Pursuant to Fed. R. Civ. P. 38, and all applicable law, Plaintiff hereby demands a trial by jury on all issues set forth herein that are properly triable to a jury.

PRAYER FOR RELIEF

WHEREFORE, pursuant to the Patent Act, 35 U.S.C. §§101 *et seq.*, and Federal Declaratory Judgment Act, 28 U.S.C. §§2201 and 2202, Fesco prays for relief as follows:

A. Judgment declaring that Fesco and its affiliates and related companies and their customers and suppliers have the right to make, use, sell, offer for sale, and import Fesco's New Products, and that the New Products do not infringe Defendants' patent rights (if any).

B. Judgment that Defendants have engaged in patent misuse.

C. Judgment declaring that the '725 Patent is invalid and/or unenforceable.

D. Judgment that Defendants are not entitled to any damages, injunctive relief, or any other relief, because Fesco's New Products do not infringe the '725 Patent, and/or because the '725 Patent is invalid and/or unenforceable.

E. Judgment that Defendants have engaged in anticompetitive behavior, and

have been acting in violation of law, including the antitrust laws.

F. Judgment declaring this an exceptional case, and awarding Fesco its costs and attorney's fees under 35 U.S.C § 285 and any and all other applicable law, especially if Defendants decide to continue to maintain their frivolous claims and/or counterclaim against Fesco's New Products for infringement of the '725 Patent.

G. Judgment that Defendants' anticompetitive behavior, and violations of the antitrust laws, subjects them to antitrust damages, including payment of treble Fesco's attorneys' fees.

H. Any and all pre- and post-judgment interest on Fesco's costs and attorneys' fees available by law.

I. Judgment awarding such other and further relief as this Court may deem just and proper.

Dated: July 22, 2024

/s/ Lee A. Goldberg

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