|          | Case 8:24-cv-01651 Doo  | ument 1                   | Filed 07/29/24 | Page 1 of 11             | Page ID #:1 |  |
|----------|---|---------------------------|----------------|--------------------------|-------------|--|
|          |   |                           |                |                          |             |  |
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| 9        |   |                           |                |                          |             |  |
| 10       |   |                           |                |                          |             |  |
| 11       | IN THE UNITED STATES DISTRICT COURT                               |                           |                |                          |             |  |
| 12       | FOR THE CENTRAL DISTRICT OF CALIFORNIA                            |                           |                |                          |             |  |
| 13<br>14 |   |                           |                |                          |             |  |
| 15       | MAXX GROUP LLC,   |                           | Case No:       |                          |             |  |
| 16       | D1 : 4:00   |                           | COMPLAI        | NT FOR:                  |             |  |
| 17       | Plaintiff,  |                           | 1). DECLA      | RATORY JU                | JDGMENT     |  |
| 18       | VS.   |                           | '              | NFRINGEM                 |             |  |
| 19       | URIAH PRODUCTS, LLC, AND  | 2). TORTIOUS INTERFERENCE |                |                          |             |  |
| 20       |   | ORCOME DISTRIBUTING, INC. |                | WITH ECONOMIC RELATIONS; |             |  |
| 21       |   |                           | 3). STATE      | COMMON I                 | LAW UNFAIR  |  |
| 22       | Defend  | lants.                    | COMPETI        | TION UNDE                | R CAL. BUS. |  |
| 23       |   |                           | & PROF. C      | CODE SECTI               | ON 1/200;   |  |
| 24       |   |                           |                | ARATORY J<br>NT INVALID  |             |  |
| 25       |   |                           | OF PAIEN       | NI INVALID               | 11 1        |  |
| 26       |   |                           | <b>DEMAND</b>  | FOR JURY                 | ΓRIAL       |  |
| 27       |   |                           |                |                          |             |  |
| 28       |   |                           |                |                          |             |  |

Maxx Group LLC, ("Maxx") hereby complains of Defendant Uriah Products, LLC and Forcome Distributing, Inc. ("Defendants") and alleges as follows:

### **INTRODUCTION**

1. Maxx brings this action to prevent Defendants from attempting to enforce a patent against a non-infringing product sold by Maxx, which interferes with Maxx's valuable business relations with Amazon and the public at large and to seek a Court order requiring Defendants to withdraw an infringement notice/complaint filed with Amazon. The dispute began when Defendants filed an infringement complaint and take down notice to Amazon in and around October 2023. As a result of Defendants' actions, Amazon proceeded to remove and take down Maxx's seller's listing of its "MaxxHaul Mount," product in and around October 2023. Defendants subsequently sent a cease & desist letter to Maxx on November 2, 2023, alleging Maxx's "MaxxHaul Mount" product was infringing Defendants' alleged ownership of United States Patent No. 10,857,846 (the "'846 Patent") and threatened to file a complaint for infringement in the United States District Court of Illinois, if Maxx did not agree to stop the manufacture, use, offer to sale, and importation of its product.

# **JURISDICTION AND VENUE**

- 2. This is an action for: (a) a declaration of non-infringement and invalidity of the '846 Patent arising under the patent laws of the United States, 35 U.S.C. § 100 *et seq.*, and (b) tortious interference with business relations and unfair competition, both arising under the laws of the State of California.
- 3. This Court has subject matter jurisdiction over the patent-related claim pursuant to 28 U.S.C. §§ 1331 & 1338; and this Court has subject matter jurisdiction over the remaining claims under 28 U.S.C. § 1367.
  - 4. This Court has personal jurisdiction and venue over Plaintiff because

Plaintiff's principal place of business is in this district, and Defendants purposefully avail themselves in this district and have minimum contacts in this district by selling, marketing, and distributing goods in this district.

# **THE PARTIES**

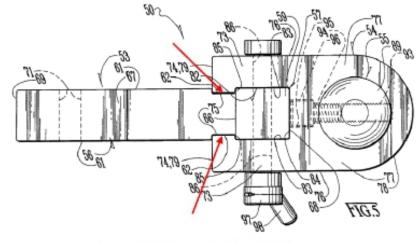
- 5. Maxx is a California corporation having a principal place of business at 3233 Mission Oaks Blvd., Unit B, Camarillo, CA 93012.
- 6. Maxx informed and believes Uriah Products, LLC is a Missouri Corporation having a principal office address at 120 South Central Ave., Clayton, MO 63105.
- 7. Maxx informed and believes Forcome Distributing, Inc., is a Missouri Corporation having a principal office address at 2720 N. Commerce Dr., Springfield, MO 65803-8307.

### SUMMARY OF FACTS AND ALLEGATIONS OF RELIEF

8. Maxx is a manufacturer and distributor of towing and truck accessories sells a wide variety of products under its "MAXX HAUL" brand through its own website and through Amazon.com. Among the products sold by Maxx through Amazon is an adjustable ball mount called the "MaxxHaul Mount," which Amazon assigned a SKU/ASIN Number No. B08MQZX35V. A photograph of the "MaxxHaul Mount," product is shown below.



- 9. Since as early as June 2021, Maxx has been selling its "MaxxHaul Mount," product on Amazon.
- 10. On November 2, 2023, Defendants sent Maxx a cease and desist letter alleging ownership of the '846 patent and that Maxx's "MaxxHaul Mount," product was infringing one or more claims of the '846 Patent, including at least claim 1 and claim 9. Defendants demanded that Maxx immediately cease its "unauthorized infringement of the '846 patent." A true and correct copy of the Defendants' November 2, 2023 demand letter is attached as "Exhibit A."
- 11. Upon information and belief, prior to sending its November 2, 2023 cease and desist letter to Maxx, Maxx believes Defendants filed an infringement complaint and take-down notice with Amazon in and around October 2023, which resulted in Amazon taking down/removing Maxx's "MaxxHaul Mount," product (ASIN# B08MQZX35V) from being sold on the Amazon.com platform.
- 12. On December 5, 2023, Maxx, through its prior counsel, sent Defendants a response letter and provided clear evidence that its "MaxxHaul Mount" accused product does not infringe the '846 Patent because it does not contain "in-turn flanges on the arms spaced away from the web which collectively define a slotted mortise hole aligned generally on a vertical axis and having a generally rectilinear cross-section for receiving the tenon portion for sliding elevational adjustability thereon." In particular, the '846 Patent depicts the "in-turned flanges" as "terminal flanges (75) or "lateral flanges (75)" as shown by the red arrows in the annotated Fig. 5 of the '846 Patent below:



Annotated Figure 5 of the '846 Patent

However, as shown in the below images, Maxx provided clear evidence to Defendants that its "MaxxHaul Mount" accused product did not contain the required "in-turned flanges on the arms," as required by the asserted claim 1 and claim 9 of the '846 Patent.





MaxxHaul Mount Installation

Because of this, Maxx's "MaxxHaul Mount" accused product can be installed onto the vertical hitch bracket *horizontally* rather than requiring the ball mount to be slid vertically onto the vertical hitch bracket from either end of the vertical hitch bracket as required by the '846 Patent. Thus, as a result, the "MaxxHaul Mount" accused product substantially functions in a different way providing a substantially different result. In view of the evidence of noninfringement, Maxx demanded that Defendants contact Amazon and withdraw its infringement complaint and take down notice it previously filed against Maxx's "MaxxHaul Mount," accused product. A true and correct copy of the Maxx's December 5, 2023 response letter is attached as "Exhibit B."

13. Yet, even after being confronted with the clear evidence of noninfringement of Maxx's "MaxxHaul Mount" accused product, Defendants refused to agree to withdraw its Amazon infringement complaint/take down notice. Instead, Defendant claimed that it initiated a formal "APEX" complaint process

through Amazon which Defendant alleges that a neutral Amazon evaluator concluded that Maxx's "MaxxHaul Mount" product infringed claim 1 of the '846 Patent. However, Maxx contests this allegation and states that it never received any invitation or notice from Amazon to participate in any "APEX" complaint process/processing involving Defendant's '846 Patent infringement allegations against Maxx's "MaxxHaul Mount," product.

- 14. As a last good faith attempt to resolve the matter informally, On April 25, 2024, through new counsel, Maxx sent another correspondence to Defendant's counsel, which included a detailed patent infringement analysis and patent claim chart to again show that Maxx's "MaxxHaul Mount," accused product does not infringe any claims of the '846 Patent. Attached as Exhibit "C," is a true and correct copy of the correspondence sent to Defendant by Maxx's counsel, including non-infringement opinion regarding the '846 Patent and corresponding patent claim chart.
- 15. On May 6, 2024, however, Defendants' counsel sent Maxx another correspondence confirming its position that it would not withdraw its Amazon infringement complaint directed to Maxx's "MaxxHaul Mount," accused product unless Maxx agreed to license the rights to the '846 Patent. Attached as Exhibit "D," is a true and correct copy of the correspondence received from Defendants' counsel.
- 16. On May 23, 2024, in response to request by Maxx to reinstate its impacted "MaxxHaul Mount" products, Amazon responded and stated that it would only consider reinstating Maxx's "MaxxHaul Mount" products upon proof of a judgment that shows Defendants' asserted '846 Patent is invalid or that Maxx's "MaxxHaul Mount" products do not infringe the '846 Patent. Attached as Exhibit "E," is a true and correct copy of the response correspondence from Amazon.
  - 17. To the present date, Maxx's "MaxxHaul Mount," accused product is

still taken down and removed from the Amazon platform.

- 18. As a result of the delisting of its "MaxxHaul Mount," product, Maxx has wrongfully and unjustly lost numerous sales, and Maxx's Amazon Seller Performance Score has been reduced.
- 19. Maxx's only remedy to restore its listing with Amazon, and to restore its Seller Performance Score, is to obtain a District Court order adjudicating that the '846 Patent is invalid and/or not infringed. And Maxx's only remedy to recover for its lost sales is to seek monetary relief from this Court.
- 20. Accordingly, Maxx now brings this action for a declaration of non-infringement of Defendants' '846 Patent. In addition, because Defendants are knowingly asserting the '846 Patent against a non-infringement product to cause commercial harm to Maxx, Maxx also seeks relief for tortious interference with business relations and unfair competition.

#### **COUNT I**

# (Declaratory Judgment of Non-Infringement)

- 21. Maxx realleges Paragraphs 1-20 of this Complaint as if set forth fully herein.
- 22. Defendants have accused Maxx's "MaxxHaul Mount," product of infringing the '846 Patent.
- 23. Maxx's "MaxxHaul Mount," product does not infringe any claims of the '846 Patent.
- 24. An actual case or controversy exists between the parties as to the validity of the '846 Patent because Defendants have wielded that patent to obtain the removal of Maxx's "MaxxHaul Mount," product from Amazon by alleging infringement of the '846 Patent.
- 25. Accordingly, this Court should declare that Maxx's "MaxxHaul Mount," product does not infringe any claims of the '846 Patent.

### **COUNT II**

# (Tortious Interference with Economic Relations)

- 26. Maxx realleges Paragraphs 1-25 of this Complaint as if set forth fully herein.
- 27. Maxx had economic relationships with Amazon and end-user consumers regarding the sale of Maxx's "Maxx Haul" product. These relationships provided Maxx with the probability of future economic benefits in the form of more sales of Maxx's "MaxxHaul Mount," product on the Amazon.com platform.
- 28. Defendants were keenly aware of these relationships as evidenced by the fact that Defendants committed intentional acts designed to disrupt those relationships. In particular, Defendants sent a written notice of infringement to Amazon accusing Maxx of patent infringement, with the specific intent that Amazon terminate Maxx's listing for its "Maxx Haul" product. Defendants sent this notice of infringement in bad faith, with malice, oppression, and fraud. Further, Defendants in bad faith refused to withdraw its notice of infringement with Amazon after being informed & shown that Maxx's "MaxxHaul Mount," product does not infringe Defendants' '846 Patent.
- 29. Defendants' notice/complaint for infringement filed with Amazon, caused the actual disruption of Maxx's relationship with Amazon in that Amazon in fact terminated and removed Maxx's listing for its "MaxxHaul Mount" product as a result of Defendant's filing of its complaint/notice of infringement with Amazon. Defendant's notice also caused the actual disruption of Maxx's relationships with end-user consumers because those consumers are no longer able to purchase Maxx's "MaxxHaul Mount," product on Amazon. Further, Defendants' written notice/complaint of infringement to Amazon may lead to the complete suspension of Maxx's entire Amazon seller account.
- 30. Defendants' conduct caused actual economic harm to Maxx in the form of lost sales of the "MaxxHaul Mount," product formerly listed on Amazon.

31. Defendants knew of Maxx's relationship with Amazon and therefore has engaged in tortious interference with Maxx's business relations.

### **COUNT III**

# (State Common Law-Unfair Competition)

- 32. Maxx realleges Paragraphs 1-31 of this Complaint as if set forth fully herein.
- 33. The foregoing activities of Defendants constitute unfair competition under the common law of the State of California pursuant to California Business & Professions Code Section 17200, et. seq.
- 34. Defendants' acts of knowingly enforcing its '846 Patent against Maxx's "MaxxHaul Mount," product which is a non-infringing product constitutes unfair competition against Maxx, which is a direct competitor.
- 35. Upon information and belief, Defendants have derived and received, and will continue to derive and receive, gains, profits and advantages, from Defendants' unfair competition, in an amount that is not presently known to Maxx. By reason of Defendants' wrongful acts of unfair competition, as alleged in this complaint, Maxx has been damaged, and is entitled to monetary relief in an amoun to be determined at trial.
- 36. By their actions, Defendants have irreparably injured and violated, and continue to irreparably injure and violate, the lawful rights of Maxx, and such irreparable injury will continue, unless Defendants are enjoined by this Court.

# **COUNT IV**

# (Declaratory Judgment of Patent Invalidity)

37. Maxx realleges Paragraphs 1-36 of this Complaint as if set forth fully herein.

- 38. Defendants have accused Maxx's "MaxxHaul Mount," product of infringing at least claim 1 and claim 9 of the '846 Patent.
- 39. Maxx has sold similar but different versions to its "MaxxHaul Mount" product since as early as 2015 which pre-dates the earliest effective filing date of the '846 Patent and serves as prior art to the '846 Patent under 35 U.S.C. § 102(b) because the "MaxxHaul Mount" product was first made available was sold more than a year before the earliest priority date of the '846 Patent. Accordingly, the '846 Patent is invalid under 35 U.S.C. §102(b).
- 40. An actual case or controversy exists between the parties as to the validity of the '846 Patent because Defendants have wielded that patent to obtain the removal of Maxx's "MaxxHaul Mount," product from Amazon by alleging infringement of the '846 Patent.
  - 41. Accordingly, this Court should declare the '846 Patent to be invalid.

#### PRAYER FOR RELIEF

Maxx respectfully requests the following relief:

- A. That the Court render a final judgment in favor of Maxx and against Defendants on all claims for relief alleged herein;
- B. That this Court enter final judgment declaring that Maxx's "Maxx Haul Mount" product does not infringe the '846 Patent;
  - C. That this Court enter final judgment declaring that the '846 Patent is invalid;
- D. That this Court order Defendants (1) to serve upon Amazon a copy of the final judgment in this action declaring that Maxx's "Maxx Haul" product (ASIN# B08MQZX35V), does not infringe the '846 Patent, and (2) to withdraw their notice/complaint of infringement & take down request to Amazon;
- E. That this Court enter final judgment that Defendants have tortiously interfered with Maxx's business relations with Amazon and end-user

consumers;

- F. That this Court enter final judgment that Defendants have competed unfairly with Maxx;
- G. That Defendants, jointly and severally, be ordered to pay over to Maxx all damages which Maxx has sustained as a consequence of the acts complained of herein, subject to proof at trial;
- H. That the foregoing award of damages include any damages caused in whole or in part by Defendants arising from any suspension of Maxx's Amazon seller account;
- I. That Defendants, jointly and severally, be ordered to pay over to Maxx punitive and exemplary damages in accordance with California law for their malicious, oppressive, and fraudulent misconduct;
  - I. That Maxx recover the costs of this action; and
- J. That the Court award Maxx such other and further relief as the Court may deem just.

Dated: July 29, 2024

RHEMA LAW GROUP, P.C.

By: John D. Tran

Attorneys for Plaintiff
MAXX GROUP LLC

MAXX GROUP, LLC