

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA**

LENSDIGITAL, LLC

Plaintiff,

v.

JASON EARL RIFE,

Defendant

CIVIL ACTION NO.: 3:24-cv-00798

JURY TRIAL DEMANDED

AMENDED COMPLAINT

Plaintiff LensDigital, LLC (“Plaintiff” or “LD”), by and through its attorneys, hereby alleges for its Complaint against Jason Earl Rife (“Defendant” or “Mr. Rife”) on personal knowledge as to its own activities and on information and belief as to all other matters, as follows:

NATURE OF THE ACTION

1. This is an action arising under the Declaratory Judgment Act and patent laws of the United States seeking declaratory judgment of non-infringement and invalidity of United States Patent No. D985,640 (the “’640 Patent” or the “Asserted Design”), as well as for tortious interference with prospective economic advantage and trade libel against Defendant.

2. LD is a leader in laser engraving equipment, particularly in

designing and manufacturing rotary laser engraving devices. Founded at least as early as 2019 to address the problem of low-cost laser engraving of items, particularly those having a cylindrical shape (e.g., drink tumblers), LD has invented breakthrough equipment including its renowned “PiBurn” Laser Rotary Attachment (the “PiBurn Product”). An exemplary image of the PiBurn Product is reproduced below:

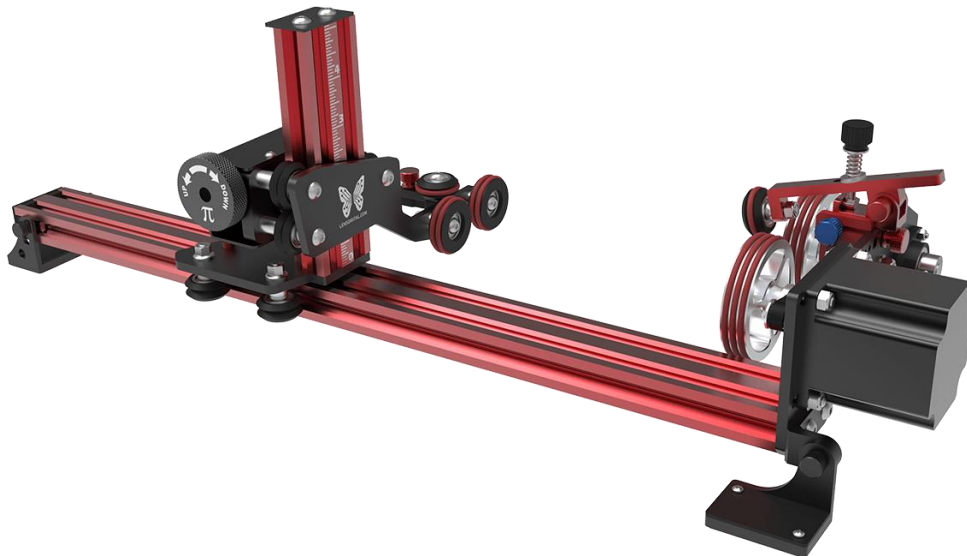


Figure 1 - The PiBurn Product

3. Defendant—which also sells laser engraving equipment and desiring to obtain a competitive edge over LD—monitored LD’s product development and used the PiBurn Product as the basis for his own laser rotary attachment device (the “Asserted Design”).

4. On May 9, 2023, Defendant obtained a design patent, the ‘640 Patent, on the Asserted Design. An annotated exemplary figure of the Asserted

Design, as claimed by the '640 Patent, is reproduced below

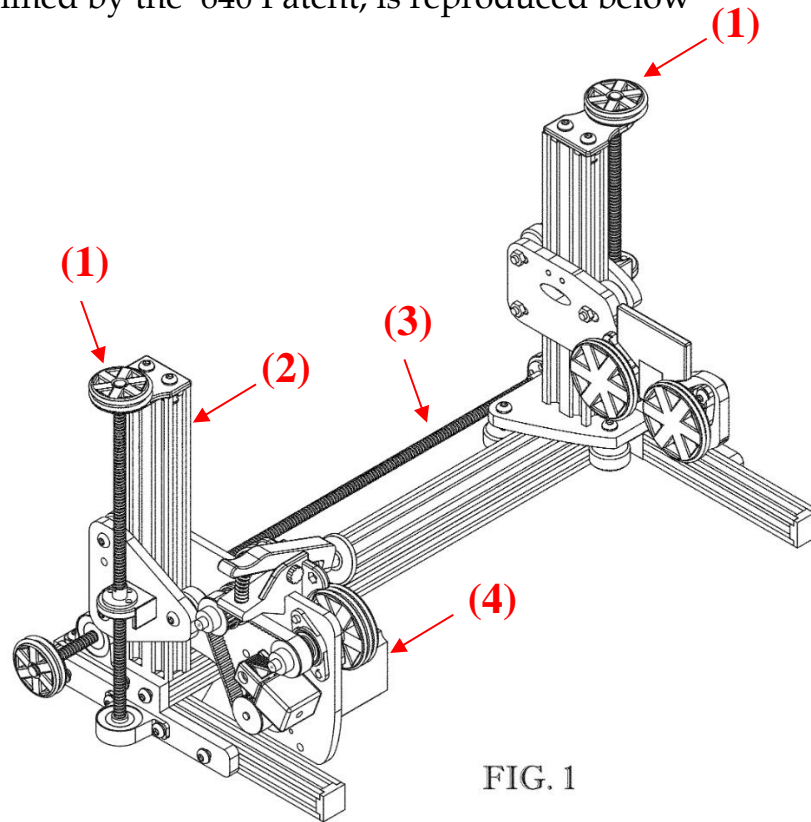


FIG. 1

Figure 2 - FIG. 1 of the '640 Patent

5. Notably, the Asserted Design includes substantial features not present in the PiBurn Product, including at least (1) the lead screw lift mechanisms; (2) the additional lift column; (3) the distance adjustment lead screw; and (4) the inwardly disposed motor housing.

6. Despite these overwhelming differences, and recognizing LD as the industry leader in laser rotary attachment devices, Defendant developed a campaign to illegitimately attack LD's success by the wrongfully asserting the '640 Patent against LD and making false claims of infringement to LD and LD's customers.

7. Accordingly, LD brings this action to protect its hard-earned business from Defendant's malicious and deceitful acts.

PARTIES

8. LD is New Jersey limited liability company with a place of business at 11B Jocama Blvd, Old Bridge, NJ 08857. LD is a manufacturer of innovative laser engraving equipment, including its renowned Rotary Laser Engraving devices.

9. Upon information and belief, Defendant is an individual residing at 14560 Yellow Bluff Road, Jacksonville, FL 32226.

JURISDICTION AND VENUE

10. This action arises under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, and provisions of the Patent Laws of the United States of America, Title 35 of the United States Code, §§ 100, *et seq.*, as well as the laws of the state of Florida.

11. Subject matter jurisdiction over the claims is conferred upon this Court by 28 U.S.C. §§ 1331, 1332(a), 1367, 1338(a)-(b), 2201, and 2202.

12. Plaintiff is a citizen of the State of New Jersey. Upon information and belief, Defendant is a citizen of the State of Florida. The amount in controversy exceeds \$75,000, exclusive of interest and costs.

13. This Court has personal jurisdiction over Defendant at least

because Defendant maintains a presence and residence in this District, Defendant has availed itself of the rights and benefits of the laws of Florida, Defendant has availed itself of the rights and benefits of the laws of Florida, Defendant is doing business within this State and District, Defendant transacts business within this State and District, and a significant number of transactions and occurrences upon which LD's claims are based took place within this State and District.

14. The exercise of personal jurisdiction comports with Defendant's right to due process, because it has purposefully availed itself of the privilege of conducting activities nationally, including within the District of New Jersey, such that it should reasonably anticipate being haled into court here.

15. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b) and (c) at least because Defendant resides in this District and Defendant is subject to personal jurisdiction in this District.

FACTUAL BACKGROUND

The '640 Patent

16. The '640 Patent, entitled "ROTARY LASER ENGRAVING DEVICE," names Jason Earl Rife as the inventor and states an issue date of May 9, 2023. Attached as Exhibit A is a copy of the '640 Patent.

17. The '640 Patent is directed to a rotary attachment for laser engraving machines.

18. On information and belief, Defendant is listed as the owner of all right, title, and interest in the '640 Patent.

LD's PiBurn Product

19. On or about September 18, 2018, Leonid Karchevsky first released footage of the initial iteration of his groundbreaking PiBurn Product.

20. On or about February 2019, Leonid Karchevsky launched a crowd funding campaign to fund its first PiBurn Product. Since then, LD has experienced huge success in its PiBurn Product, which has since gone through numerous iterations.

21. Among the various iterations, is version of 3.0 of the PiBurn Product ("PiBurn Product 3.0") (the PiBurn Product and the PiBurn Product 3.0, collectively, the "PiBurn Products"), an image of which is reproduced below:



Figure 3 - The PiBurn Product 3.0

22. LD's most recent iteration of its PiBurn Product is available

through LD's online storefront, available at <https://www.lensdigital.com/home/product/piburn4/>, and is also shown in the image below:

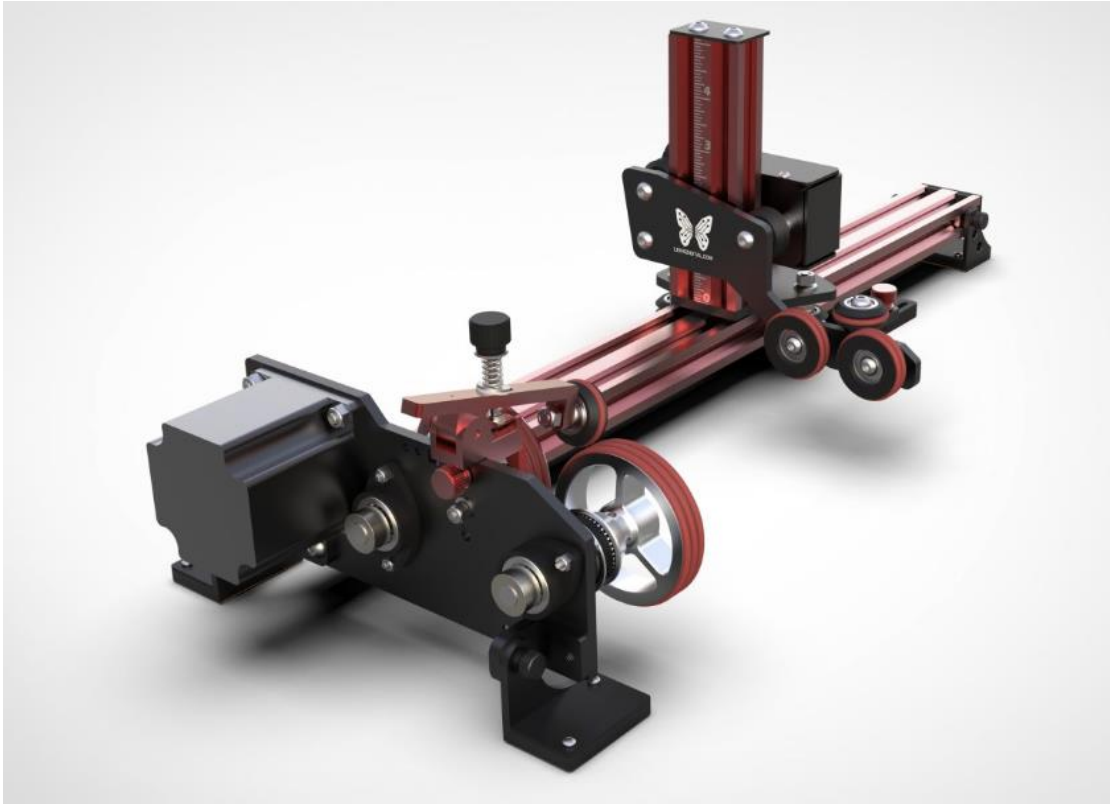


Figure 4: An iteration of LD's PiBurn Product

23. Among other things, LD's PiBurn Product includes, and has included over various iterations, many novel features conceived of by Leonid Karchevsky, LD's founder and chief executive officer, including (1) a vertical V-slot extrusion rail; (2) V-wheels interfacing with the V-slot extrusion rail; (3) a base comprising a main horizontal extrusion rail; (4) a clamping mechanism; and (5) a back-stopper plate.

Defendant's Wrongful Allegations

24. Recognizing LD's success in its PiBurn Product, on June 15, 2020, Defendant filed a design patent application incorporating the above features – in addition to Defendant's own design elements – in U.S. Design Patent Application No. 29/738,089.

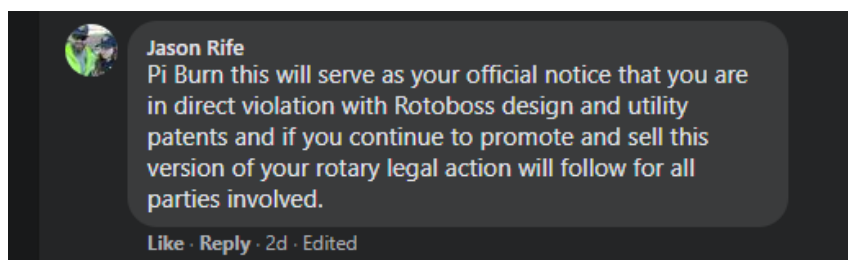
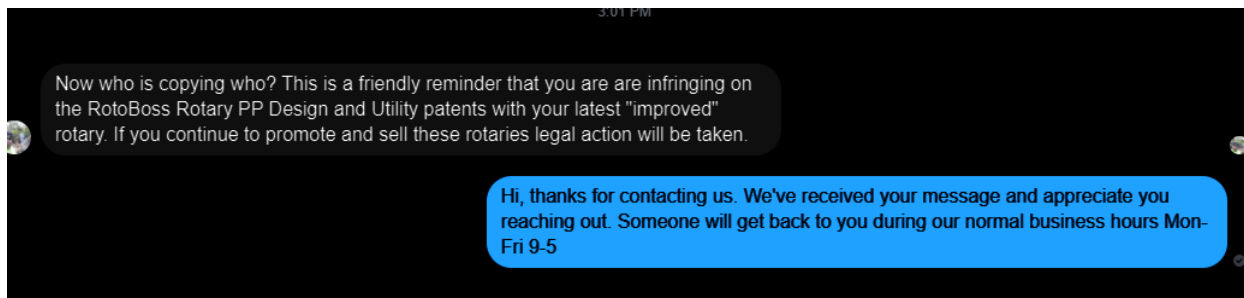
25. U.S. Design Patent Application No. 29/738,089 issued as the '640 Patent on May 9, 2023.

26. Following the issuance of the '640 Patent, Defendant began a campaign of falsely accusing the PiBurn Product of infringing on Defendant's "design and utility" patent rights.¹

27. The only alleged design patent rights held by Defendant is in the '640 Patent. Thus, Defendant appears to be alleging that LD's own designs are substantially similar to the design of the '640 Patent.

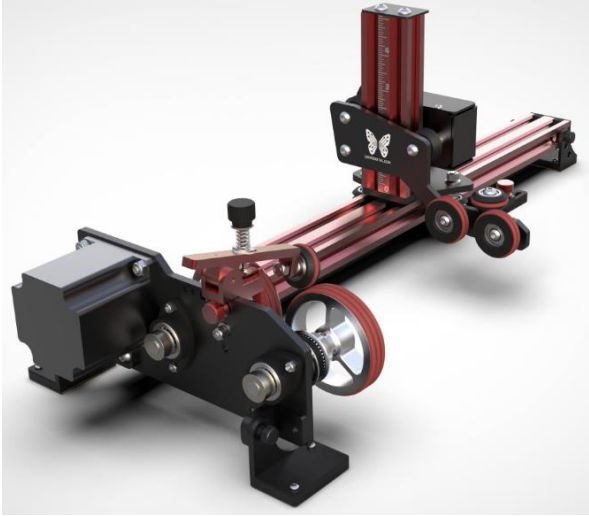
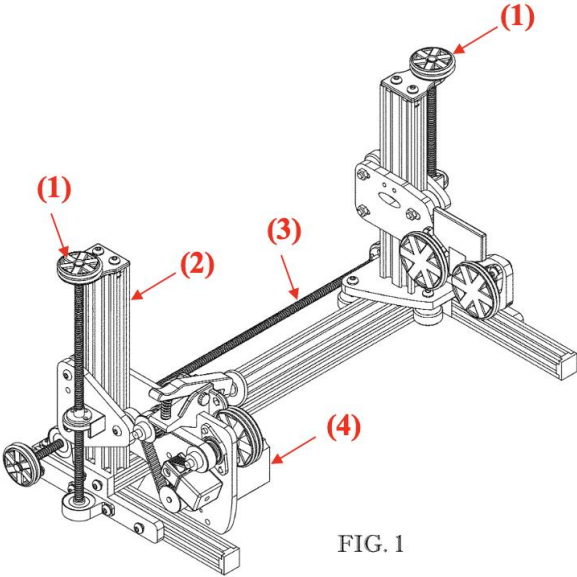
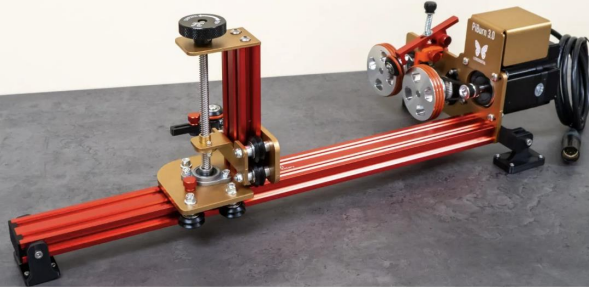
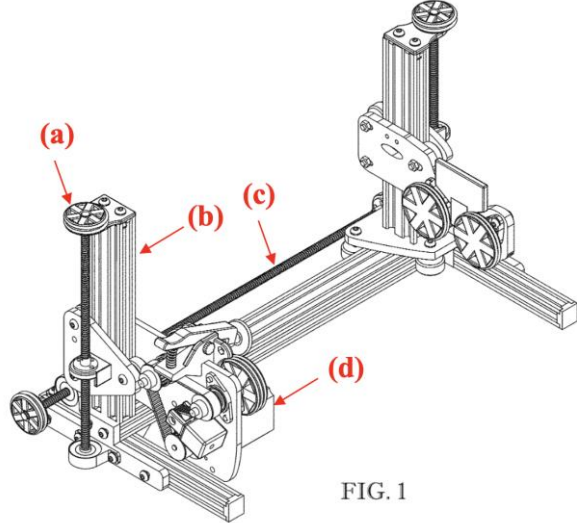
28. True and correct copies of a number of messages and comments from Defendant accusing LD of infringing on Defendant's "design and utility" patent rights are reproduced below:

¹ Confusingly, Defendant alleges that LD infringes on Defendant's utility patents, yet Defendant does not own any issued utility patents.



29. Potential customers of LD have seen these false public messages.

30. These messages are false. A comparison of the PiBurn Products and the Asserted Design reveals numerous substantial differences that would be easily distinguishable to an ordinary observer. A side-by-side comparison between the PiBurn Products (left), and the Asserted Design (right), is shown below:

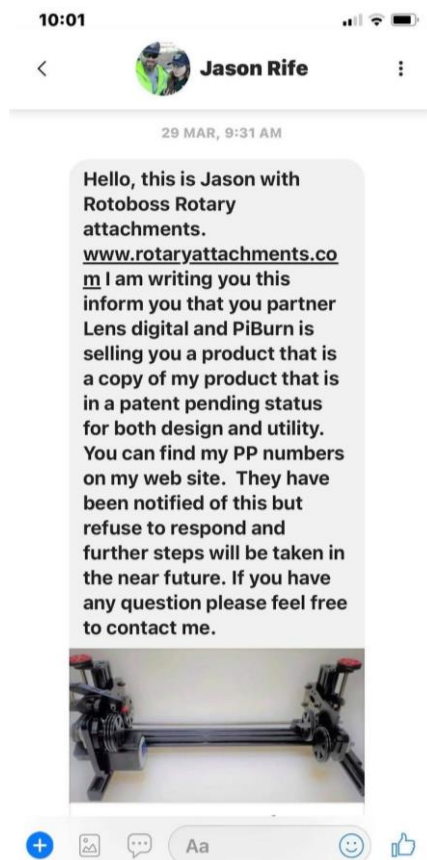
The PiBurn Products	The Asserted Design
	 <p style="text-align: center;">FIG. 1</p>
	 <p style="text-align: center;">FIG. 1</p>

31. As shown above, the Asserted Design includes many significant design features that are not present in the PiBurn Product including, but not limited to, (1) the lead screw lift mechanisms; (2) the additional lift column; (3) the distance adjustment lead screw; and (4) the inwardly disposed motor housing.

32. The Asserted Design also includes many significant differences in its design when compared to the PiBurn Product 3.0 including, but not limited to, (a) the lead screw lift mechanisms; (b) the additional lift column; (c) the distance adjustment lead screw; and (d) the inwardly disposed motor housing.

33. Due to at least the above-noted differences between the PiBurn Products and Asserted Design, Defendant knew, or should have known at the time of making his allegations of infringement of the '640 Patent, that any claim of such infringement would be frivolous.

34. Despite the overwhelming dissimilarities between the PiBurn Products and the Asserted Design, Defendant chose to continue its campaign of falsities on March 29, 2023, by messaging a potential distributor of the PiBurn Product located in Australia, Central Beam Design, falsely alleging that LD copied Defendant's product (the "Central Beam Design Message"). A true and correct copy of that message is reproduced below:



35. Because of the Central Beam Design Message, Central Beam Design declined to do business with LD, causing LD to lose at least \$500,000 in contract sales through its anticipated relationship with Central Beam Design.

36. Defendant then doubled down on his disingenuous accusations in a letter to LD's counsel dated July 12, 2023 ("Defendant's Letter"), where Defendant again accused LD of infringing the '640 Patent.

37. Based on the foregoing, a justiciable controversy exists between LD and Defendant as to whether LD's PiBurn Products infringe the '640 Patent and whether the claim of the '640 Patent is valid.

38. Absent a declaration of non-infringement or invalidity, Defendant

will continue to wrongfully allege that LD's PiBurn Products infringe the '640 Patent, and thereby cause LD irreparable injury and damage.

COUNT I: DECLARATORY JUDGMENT OF NON-INFRINGEMENT

39. Plaintiff re-alleges and incorporates paragraphs 1 through 38 in this complaint as if fully set forth herein.

40. 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.

41. A judicial declaration is necessary and appropriate so that LD may ascertain its rights regarding its PiBurn Products and the '640 Patent.

42. LD is entitled to a declaratory judgment that LD has not infringed and does not infringe, either directly or indirectly, any valid and enforceable claim of the '640 Patent under 35 U.S.C. § 271.

COUNT II: TORTIOUS INTERFERENCE WITH PROSPECTIVE ECONOMIC ADVANTAGE

43. Plaintiff re-alleges and incorporates paragraphs 1 through 38 in this complaint as if fully set forth herein.

44. LD, by virtue of selling its products internationally, had a legitimate expectancy of entering into a contract with Central Beam Design to

distribute its products in Australia.

45. LD further had a legitimate business expectancy of future sales to customers, including those who follow LD's social media accounts.

46. Defendant intentionally and wrongfully interfered with LD's contract expectancy with Central Beam Design by falsely claiming that LD was infringing Defendant's patent rights.

47. Defendant intentionally and wrongfully interfered with LD's contract expectancy with its customers through social media by falsely claiming that LD was infringing Defendant's patent rights.

48. Defendant's interference was unjustified, and Defendant was not privileged to interfere because LD did not copy Defendant's designs and the Asserted Design is highly dissimilar to the PiBurn Product and PiBurn Product 3.0.

49. Because of Defendant's intentional and unjustified interference, Central Beam Design terminated its business relationship with LD.

50. Without Defendant's intentional and unjustified interference, LD would have received at least \$500,000 in contract sales through its anticipated relationship with Central Beam Design.

51. LD has suffered and will continue to suffer damages due to

Defendant's tortious interference with LD's prospective economic advantage.

COUNT III: TRADE LIBEL

52. Plaintiff re-alleges and incorporates paragraphs 1 through 38 in this complaint as if fully set forth herein.

53. Defendant knowingly, and without justification, made (and/or caused to be made) materially false representations in writing to third parties including Central Beam Design, and LD's customers through social media, by which Defendant falsely stated that LD copied Defendant's designs and/or is infringing Defendant's patent rights. Such statements are materially false.

54. Defendant's statements were false in that, among other things, LD did not copy Defendant's designs, and the Asserted Design is highly dissimilar to the PiBurn Product and PiBurn Product 3.0.

55. Defendant's materially false representations were calculated to impugn LD's business reputation and that of its products, and to dissuade others from doing business with LD, and were calculated to otherwise interfere with LD's business relationships.

56. Defendant's materially false representations were substantial factors in inducing others, including Central Beam Design, to not have certain business dealings with LD.

57. Defendant made (and/or caused to be made) such false communications regarding LD knowingly, intentionally, in bad faith and motivated solely by unrestrained self-interest, malice and/or disinterested malevolence, without legal or social justification.

58. Defendant's willful and intentional misconduct, without LD's knowledge or consent, irreparably injured and caused damage to LD in its business reputation.

59. As a result of Defendant's aforesaid acts and conduct, LD has been irreparably injured in its business and in its good name and character. LD's standing in its business has also been seriously impaired.

60. The false statements affected LD in its trade, business, and profession. Among other things, prior to Defendant's false statements, LD was anticipating the generation of a significant number of sales through its relationship with Central Beam Design. However, that is no longer the case.

61. As discussed in more detail above, at the time it made the false statements, Defendant knew and/or should have known that such statements to Central Beam Design were false or were made with reckless disregard for the truth in that Defendant knew that LD had the right to practice the claimed invention of the '640 Patent.

62. Defendant's statements were not mere statements of opinion.

63. Plaintiff is entitled to damages in excess of \$100,000.

64. Plaintiff is entitled to an award of punitive damages in an amount sufficient to punish and deter Defendant from engaging in further knowing acts of trade libel.

PRAYER FOR RELIEF

WHEREFORE, LD respectfully requests that this Court enter judgment in favor of LD granting the following relief:

A. A judgment declaring that LD has not infringed and is not infringing, either directly or indirectly, any valid and enforceable claim of the '640 Patent, in violation of 35 U.S.C. § 271;

B. a judgment that Defendant and each of its 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 LD infringes any claims of the '640 Patent or from instituting or initiating any action or proceeding alleging infringement of any claims of the '640 Patent against LD or any customers, manufacturers, users, importers, or sellers of the PiBurn Products;

C. declaring LD as the prevailing party and this case as exceptional, and awarding LD its reasonable attorneys' fees, pursuant to 35

U.S.C. § 285;

D. a judgment permanently barring Defendant from tortiously interfering with LD's prospective economic advantage;

E. an award to LD of monetary and any other damages, including punitive damages, from tortiously interfering with LD's prospective economic advantage;

F. an award to LD of damages to be paid by Defendant adequate to compensate Plaintiff for loss of business reputation and goodwill;

G. an award to LD of monetary and any other damages, including punitive damages, for trade libel;

H. an award of punitive damages resulting from Defendant's willful and wanton actions;

I. That Defendant be ordered to pay all fees, expenses, and costs associated with this action; and

J. such other and further relief as this Court may deem just and proper, in law or equity.

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DEMAND FOR JURY TRIAL

Plaintiffs demand a trial by jury on all claims and issues so triable.

Dated: September 13, 2024

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