### UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF GEORGIA

M.E.A.C. ENGINEERING, LTD 2 ABA HILEL STREET, # 5808 RAMAT GAN 5250601 ISRAEL

Civil Action No.:

Plaintiff

v.

MÖLNLYCKE HEALTH CARE AG BRANDSTRASSE 24 SCHLIEREN, ZÜRICH, 8952 SWITZERLAND and

MÖLNLYCKE HEALTH CARE US LLC 5445 TRIANGLE PARKWAY, SUITE 400, NORCROSS, GA, 30092, USA

Defendants

# **COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff MEAC Engineering LTD ("MEAC"), by its undersigned counsel, alleges as follows for its complaint against Defendants Mölnlycke Health Care AG (Mölnlycke AG) and Mölnlycke Health Care US LLC. (Mölnlycke US).

## THE NATURE OF THIS ACTION

1. MEAC brings this action against Mölnlycke AG and Mölnlycke US,

pursuant to 35 U.S.C. §101 et. seq. and §§271, 281, 283, 284, & 285 inclusive, for

infringement of one or more claims of U.S. Patents No. 8,506,554 ("the '554 Patent) titled

"Wound Closure and Drainage System" and U.S. Patent No. 8,858,534 (the '534 Patent)

titled "Wound Closure and Drainage System." The '554 and '534 patents protect the

inventions of Plaintiff in the area of Negative Pressure Wound Therapy (NPWT).

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Defendant has been made aware of the Patents-in-Suit but have continued to infringe and have refused to cease its infringing actions, thereby necessitating this lawsuit.

#### THE PARTIES

2. Plaintiff MEAC is an Israel corporation located at: 2 Aba Hill St., # 5808, Ramat Gan 5250601, Israel. MEAC is the owner of the patents-in-suit by assignment.

3. Defendant Mölnlycke AG is a Swiss Corporation which maintains and controls eighteen locations throughout the United States, including Austin Texas. Mölnlycke AG manufactures and exports into the US and uses, offers to sell and sells the accused products throughout the United States through it wholly owned subsidiaries.

4. Defendant Mölnlycke US is a Delaware Corporation with a principal address located at 5445 Triangle Parkway, Suite 400, Norcross, GA, 30092, USA, with eighteen locations throughout the United States. Mölnlycke US imports, uses, offers to sell and sells the accused products throughout the United States.

5. Defendants, and customers of Defendants, use the accused products to practice the claimed methods of the Patents-in-Suit.

#### JURISDICTION AND VENUE

6. This is an action for patent infringement arising under the laws of the United States, 35 U.S.C. §271 *et seq*.

7. This Court has subject matter jurisdiction over this action pursuant to 35 U.S.C. §§271, 281 and 28 U.S.C. §§1331 and 1338(a), federal question, and 28 U.S.C. §1332 diversity jurisdiction.

8. This Court has Personal jurisdiction over Mölnlycke AG because it has supplied its products into this district.

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9. This Court has personal jurisdiction over Defendant Mölnlycke US because Defendant is located within this judicial district and has regular and established places of business in this judicial district.

10. Venue is proper for Defendant Mölnlycke US in the Northern District of Georgia pursuant to 28 U.S.C. §§1391(b), 1391(c) and 1400(b). Upon information and belief, Defendants have a facility directly related to the accused products, directly related to sales and service of the accused products and directly related to assisting customers in the activities accused of infringing the method claims of the asserted patents located at 5445 Triangle Pkwy NW Suite 400, Peachtree Corners, GA 30092. *See* https://www.molnlycke.us/contact-us/. Defendants are doing business in this judicial district, have committed acts of infringement and has regular and established places of business in this District and have employees conducting regular and established business in this judicial district.

11. This Court has personal jurisdiction over Defendants and venue is proper over Defendants because Defendants have minimum contacts with this forum as a result of business regularly conducted within the State of Georgia and within this district, and, on information and belief, specifically as a result of, at least, committing the tort of patent infringement within This District. This Court has personal jurisdiction over Defendants, in part, because Defendants maintain a regular and established place of business and do continuous and systematic business in this District. Defendants employ full time personnel within this District in positions that, on information and belief, relate to infringement of the patents-in-suit. Accordingly, this Court's jurisdiction over the Defendants comports with the constitutional standards of fair play and substantial justice and arises directly from the Defendants' purposeful minimum contacts with the State of Georgia. In addition, Defendant has also made its products available within this judicial district and advertised to residents within the District to hire employees to be located in this District.

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12. Venue is proper in this Court against Defendant Mölnlycke AG under 28 U.S.C. § 1391 (c)(3) and 28 U.S.C. § 1400(b) based on information set forth herein, which is hereby repeated and incorporated by reference. For purposes of venue regarding cases against foreign corporations, general federal statutes are applicable. This Court is a proper venue for a case against Defendant Mölnlycke AG, a foreign corporation, in any judicial district in any state to which it is subject to personal jurisdiction. *See Brunette Mach. Works, Ltd. v. Kockum Indus., Inc.,* 406 U.S. 706, 92 S. Ct. 1936, 32 L. Ed. 2d 428 (1972); *See also TC Heartland LLC v. Kraft Foods Grp. Brands LLC,* 581 U.S. 258, 137 S. Ct. 1514, 197 L. Ed. 2d 816 (2017) (Declining to expand limitation of venue statutes related to domestic corporations to foreign corporations).

#### **BACKGROUND AND GENERAL ALLEGATIONS**

13. In 2005, Mr. Carmeli Adahan filed a patent application for his invention which advanced the treatment of wound care. His inventive Negative Pressure Wound Treatment system was granted several US and international patents, including the patents-in-suit, 8,506,554 and 8,858,534. The patents claim devices which provide wound closure and drainage. The '554 patent also claims a method for treating wounds with negative pressure.

14. Defendants manufacture and sell products know generally as Negative Pressure Wound Therapy equipment, including the following:

The Avance Solo and the Avance Solo Adapt

15. The accused Mölnlycke products infringe claims of the '554 and '534 patents.

16. On August 13, 2013, United States Patent No. 8,506,554 ("the '554 Patent"), entitled "Wound closure and drainage system" was duly and legally issued by the United States Patent and Trademark Office ("USPTO"). The '554 Patent claims patent-eligible subject matter and is valid and enforceable. MEAC is the exclusive owner by assignment of all rights, title, and

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interest in the '554 Patent, including the right to bring this suit for injunction and damages, and including the right to sue and recover all past, present, and future damages for infringement of the '554 Patent. Defendants are not licensed to the '554 Patent, either expressly or implicitly, nor do they enjoy or benefit from any rights in or to the '554 patent whatsoever. A true and correct copy of the '554 Patent is attached hereto as **Exhibit A**.

17. On October 14, 2014, United States Patent No. 8,858,534 ("the '534 Patent"), entitled "Wound closure and drainage system" was duly and legally issued by the United States Patent and Trademark Office ("USPTO"). The '534 Patent claims patent-eligible subject matter and is valid and enforceable. MEAC is the exclusive owner by assignment of all rights, title, and interest in the '534 Patent, including the right to bring this suit for injunction and damages, and including the right to sue and recover all past, present, and future damages for infringement of the '534 Patent. Defendants are not licensed to the '534 Patent, either expressly or implicitly, nor do they enjoy or benefit from any rights in or to the '534 patent whatsoever. A true and correct copy of the '534 Patent is attached hereto as **Exhibit B**.

18. The '554 and '534 Patents are referred to herein as the "patents-in-suit." Plaintiff MEAC is the owner of the entire right, title, and interest in and to the patents-in-suit. The patents-in-suit are presumed valid under 35 U.S.C. § 282.

### THE PATENTS

19. The claims of the '534 patent are directed to "a vacuum system for applying negative pressure to a wound" and to "a method for applying negative pressure to a wound." The '534 patent contains eighteen claims directed to the system and four claims directed to the method, Claim one of the '534 patent recites:

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Claim 1. A vacuum system for applying negative pressure to a wound, the vacuum

system comprising:

an enclosure, a venting arrangement, a tube, a vacuum source, and a controller: the enclosure being attachable to a periphery of the wound so as to define a confined volume; the enclosure having an enclosure outlet connectable to said vacuum source via said tube so that negative pressure can be selectively created in said volume; the venting arrangement comprising a flow restrictor to restrict flow through said venting arrangement and to thereby provide a controlled flow of ambient air into said vacuum system upstream of the vacuum source; the controller configured for controlling operation of the vacuum source while providing venting of the vacuum system via said venting arrangement to provide a desired level of said negative pressure in said confined volume.

20. The '554 patent is directed to "an enclosure for applying negative pressure to a

wound," "a disposable assembly for applying negative pressure to a wound" and "a vacuum

system for applying a negative pressure to a wound." The '554 patent contains seven claims

directed to the enclosure, four claims protecting the disposable assembly and eighteen claims

reciting the vacuum system of the invention. Claim one of the '554 patent recites:

Claim 1. An enclosure for applying negative pressure to a wound,

the enclosure being attachable to the wound circumference so as to define a confined volume, and comprising

a tube and a venting arrangement,

the enclosure having an enclosure outlet connectable to a vacuum source via said tube so that negative pressure can be selectively created in said volume,

said venting arrangement located outside said enclosure and comprising a flow restrictor to restrict flow through said venting arrangement located outside said enclosure and comprising a flow restrictor such that ambient air can enter said tube via said venting arrangement and flow to said vacuum source without having to enter said enclosure.

## INFRINGEMENT

21. The Mölnlycke AVANCE Systems and components infringe claims of both

the '554 and the '534 patents.

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22. Defendants have, under 35 U.S.C. §271(a), directly infringed, and continue to directly infringe, literally and/or under the doctrine of equivalents, one or more claims of the '554 and the '534 Patents, by making, using, testing, selling, offering for sale and/or importing into the United States Defendants' Accused Products.

23. Defendants also indirectly infringe the '554 and '534 patents by actively inducing the direct infringement by third parties under 35 U.S.C. §271(b). Defendants have knowingly and intentionally actively aided, abetted and induced and continues to induce others to directly infringe at least one claim of the '554 and '534 patents, including its customers throughout the United States. Defendants continue to induce infringement of the '554 and '534 patents. Defendants have contributorily infringed and continue to contributory infringe under 35 U.S.C. §271(c) because, with knowledge of the '554 and '534 patents, Defendants supply a material part of an infringing method and/or system, where the material part is not a staple article of commerce, and is incapable of substantial noninfringing use. Defendants contribute to its customers' infringement because, with knowledge of the '554 and '534 patents, Defendant supplies the technology that allows its customers to infringe the patents, including the method claims.

24. Plaintiff has conducted a detailed analysis, establishing and confirming that Defendants' Accused Products directly infringe and when used according to Defendants' instructions for operation, or parts are supplied, indirectly infringe claims of the '554 and '534 Patents.

25. Attached as Exhibits to the Complaint are claim charts demonstrating the correspondence of the operation of the accused products with elements of exemplary claims of the '554 and '534 patents.

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### 26. Defendant and its customers have continued

infringement. The accused products satisfy the elements of the asserted

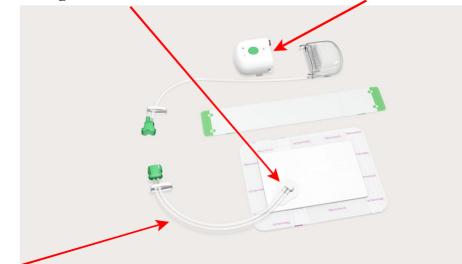
claims:

'534 Claim 1 - A vacuum system for applying negative pressure to a wound, the vacuum system comprising: an enclosure, a venting arrangement, a tube, a vacuum source, and a controller:

Avance Solo is a portable single patient use negative pressure system that delivers negative pressure to the wound site while transporting exudate from the wound to a dressing and canister. ① It is suitable for use on closed surgical incisions (ciNPT) and open wounds (dNPWT).

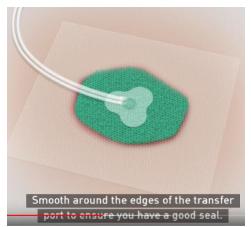


the enclosure having an enclosure outlet connectable to said vacuum source



via said tube so that negative pressure can be selectively created in said volume;

the enclosure being attachable to a periphery of the wound so as to define a confined volume;



the venting arrangement comprising a flow restrictor to restrict flow through said venting arrangement and to thereby provide a controlled flow of ambient air into said vacuum system upstream of the vacuum source;



#### 1. Controlled Fluid Management (CFM) technology

Controlled Fluid Management (CFM) technology is a combination of controlled air flow, absorptive dressing and distal canister, enabling the Avance Solo NPWT system to deliver continuous regulated negative pressure 1 2 3.

the controller configured for controlling operation of the vacuum source while providing venting of the vacuum system via said venting arrangement to provide a desired level of said negative pressure in said confined volume.

#### 2. Pump

Regulates pressure to deliver a continuous -125mmHg negative pressure 4. Regular cycling of the pump ensures that fluid is constantly transported to the canister and that the vacuum is maintaned at target levels 4 5 6.



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27. Defendants have infringed, and continue to infringe, at least claims 1 - 29 of the '554 Patent and claims 1 - 22 of the '534 Patent, under 35 U.S.C. § 271(a)(b) and/or (c), by (a) making, using, offering to sell, selling and/or importing into the United States, vacuum systems, enclosures, disposable assemblies that infringe the asserted claims and by performing the claimed methods in the United States, (b) by inducing others to use the accused products and/or sell the accused products and to perform the claimed methods in the United States, (c) by contributing to the infringement of others and by selling components of the patented systems, including dual lumen tubing, enclosures, and disposable elements and (b & c) by selling a product for performing the patented process. Defendants continue to manufacture, use, offer to sell, sell and import accused products. The accused products are also being used to infringe. Defendants continue to sell accused products inducing and contributing to infringement by others and also continue to perform infringing activity by performing the claimed method in the United States.

28. The Mölnlycke NPWT Systems are infringing systems and thus directly infringe '554 Claims 12-23 and 25-29 and '534 Claims 1-18. The systems include an enclosure and thus directly infringes '544 Claims 1- 7 and 25. The systems also include a disposable assembly and thus directly infringes '554 Claims 8 - 11. The systems are used to perform the method of Claims 19 - 22 of the '534 patent and thus directly and indirectly by inducement, infringe Claims 19-22 of the '534 patent.

29. The '534 patents is also infringed under 35 USC 271(a) when an accused product is "used" by Defendants to perform the applying negative pressure method of claims 19 - 22 of the '534 patent; the '534 patent is infringed under 271(b) when Defendant "induces" others to practice the claimed method; the '534 patent is infringed under 271(c) when Defendant provides components for use by others in practicing the patented method.

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30. Upon information and belief, Defendants have directly infringed one or more of claims of the '554 and '534 patents under 35 USC §271(a):

(a) Except as otherwise provided in this title, whoever without authority makes, uses, offers to sell, or sells any patented invention, within the United States or imports into the United States any patented invention during the term of the patent therefor, infringes the patent.

by engaging in accused activity including making, using, offering to sell, selling and importing accused products and/or by practicing the claimed method in the United States. Defendant continues to infringe claims of the '554 and '534 Patents.

31. Upon information and belief, Defendants have indirectly infringed one or more

of the claims of the '554 and '534 patents under 35 USC §271(b):

(b) Whoever actively induces infringement of a patent shall be liable as an infringer.

by providing accused products, with instructions, which are used to practice the patented

methods according to the instructions and thereby inducing others to use the products in an

infringing manner.

32. Upon information and belief, Defendants have indirectly infringed one or more of the claims of the '554 and '534 patents under 35 USC §271(c):

(c) Whoever offers to sell or sells within the United States or imports into the United States . . . or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial noninfringing use, shall be liable as a contributory infringer.

by providing accused products, and other components and supplies, which are combined to form an infringing product and/or used in practicing methods which infringe the claims of the '554 and '534 patents, thus contributing to the infringement of the '554 and '534 patents.

33. Defendants do not have a license or authority to use the '554 or the '534 Patent.

Defendants have been willfully infringing the '554 and '534 Patents since at least as early as they

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became aware of the patents-in-suit. Upon information and belief, Defendants have no good faith defense to Plaintiff's infringement allegations and have refused to cease selling products or to engage in further attempts to reach a business resolution. Instead, Defendants have intentionally continued their knowing infringement.

34. As a result of Defendants' infringement of the '554 and '534 Patents, Plaintiff has suffered and will continue to suffer damages in an amount not yet determined, of at least a reasonable royalty.

### COUNT I INFRINGEMENT OF U.S. PATENT NO. 8,506,554 BY MÖLNLYCKE AG

35. The allegations of each of the paragraphs above are hereby re-alleged and incorporated herein by reference.

36. Defendant Mölnlycke AG has infringed, and continues to directly infringe, at least claims 1 - 29 of the '554 Patent, under 35 U.S.C. § 271(a), by making, using, offering to sell, selling and importing the Accused Products in the United States.

37. Upon information and belief, Defendant Mölnlycke AG has indirectly infringed one or more of the claims of the '554 patent under 35 USC §271(c) by providing accused products, and components and supplies, which are used as components of infringing systems which infringe the claims of the '554 patent, thus contributing to the infringement of the '554 patent. 38. Mölnlycke AG does not have a license or authority to use the '554 Patent.

39. As a result of Mölnlycke's infringement of the '554 Patent, Plaintiff has suffered and will continue to suffer damages in an amount not yet determined, of at least a reasonable royalty.

## COUNT II INFRINGEMENT OF U.S. PATENT NO. 8,858,534 BY MÖLNLYCKE AG

40. The allegations of paragraphs 1-34 above are hereby re-alleged and incorporated herein by reference.

41. Defendant Mölnlycke AG has infringed, and continues to directly infringe, at least claims 1 - 29 of the '534 Patent, under 35 U.S.C. § 271(a), by making, using, offering to sell, selling and importing the Accused Products in the United States and by practicing the claimed method.

42. Upon information and belief, Defendant Mölnlycke AG has indirectly infringed one or more claims of the '534 patents under 35 USC §271(b) by providing accused products, with instructions, which are used to practice the patented methods according to the instructions and thereby inducing others to use the products in an infringing manner.

43. Upon information and belief, Defendant Mölnlycke AG has indirectly infringed one or more of the claims of the '534 patent under 35 USC §271(c) by providing accused products, and components and supplies, which are used as components of infringing systems and in practicing a patented process and which are used to practice methods which infringe the claims of the '534 patent, thus contributing to the infringement of the '534 patent.

44. Mölnlycke AG does not have a license or authority to use the '534 Patent.

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45. As a result of Mölnlycke AG's infringement of the '534 Patent, Plaintiff has suffered and will continue to suffer damages in an amount not yet determined, of at least a reasonable royalty.

### COUNT III INFRINGEMENT OF U.S. PATENT NO. 8,506,554 BY MÖLNLYCKE US

46. The allegations of each paragraphs 1-34 above are hereby re-alleged and incorporated herein by reference.

47. Defendant Mölnlycke US has infringed, and continues to directly infringe, at least claims 1 - 29 of the '554 Patent, under 35 U.S.C. § 271(a), by making, using, offering to sell, selling and importing the Accused Products in the United States.

48. Upon information and belief, Defendant Mölnlycke US has indirectly infringed one or more of the claims of the '554 patent under 35 USC §271(c) by providing accused products, and components and supplies, which are used as components of infringing systems which infringe the claims of the '554 patent, thus contributing to the infringement of the '554 patent.

49. Mölnlycke US does not have a license or authority to use the '554 Patent.

50. As a result of Mölnlycke's infringement of the '554 Patent, Plaintiff has suffered and will continue to suffer damages in an amount not yet determined, of at least a reasonable royalty.

### COUNT IV INFRINGEMENT OF U.S. PATENT NO. 8,858,534 BY MÖLNLYCKE US

51. The allegations of each paragraphs 1-34 above are hereby re-alleged and incorporated herein by reference.

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52. Defendant Mölnlycke US has infringed, and continues to directly infringe, at least claims 1 - 29 of the '534 Patent, under 35 U.S.C. § 271(a), by making, using, offering to sell, selling and importing the Accused Products in the United States and by practicing the claimed method.

53. Upon information and belief, Defendant Mölnlycke US has indirectly infringed one or more claims of the '534 patents under 35 USC §271(b) by providing accused products, with instructions, which are used to practice the patented methods according to the instructions and thereby inducing others to use the products in an infringing manner.

54. Upon information and belief, Defendant Mölnlycke US has indirectly infringed one or more of the claims of the '534 patent under 35 USC §271(c) by providing accused products, and components and supplies, which are used as components of infringing systems and in practicing a patented process and which are used to practice methods which infringe the claims of the '534 patent, thus contributing to the infringement of the '534 patent.

55. Mölnlycke US does not have a license or authority to use the '534 Patent.

56. As a result of Mölnlycke US's infringement of the '534 Patent, Plaintiff has suffered and will continue to suffer damages in an amount not yet determined, of at least a reasonable royalty.

#### PRAYER FOR RELIEF

For relief for the forgoing, Plaintiff asks this Court:

A. For a judgment declaring that Defendant Mölnlycke AG has infringed the '554 Patent.

B. For a judgment declaring that Defendant Mölnlycke AG's infringement of the '554 Patent has been willful;

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C. For a judgment declaring that Defendant Mölnlycke AG has infringed the '534 Patent.

D. For a judgment declaring that Defendant Mölnlycke AG's infringement of the '534 Patent has been willful;

E. For a judgment declaring that Defendant Mölnlycke US has infringed the '554 Patent.

F. For a judgment declaring that Defendant Mölnlycke US's infringement of the '554 Patent has been willful;

G. For a judgment declaring that Defendant Mölnlycke US has infringed the '534
Patent.

H. For a judgment declaring that Defendant Mölnlycke US's infringement of the'534 Patent has been willful;

I. For a grant of a permanent injunction pursuant to 35 U.S.C. §283, enjoining the Defendants from further acts of infringement;

J. For a judgment awarding Plaintiff compensatory damages as a result of Defendants' infringement sufficient to reasonably and entirely compensate Plaintiff for infringement of the '554 and '534 Patents in an amount to be determined at trial;

K. For a judgment and order awarding a compulsory ongoing royalty;

L. For a judgment declaring that Defendants' infringement was willful and for enhancement of damages in accordance with 35 U.S.C. 284;

M. For a judgment declaring that this case is exceptional and awarding Plaintiff its expenses, costs and attorneys' fees in accordance with 35 U.S.C. § 285 and Rule 54(d) of the Federal Rules of Civil Procedure;

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N. For a judgment awarding Plaintiff prejudgment interest pursuant to 35 U.S.C. §

284, and a further award of post judgment interest, pursuant to 28 U.S.C. §1961, continuing until such judgment is paid.

O. For a judgment awarding Plaintiff enhanced damages under 35 U.S.C. §284; and For such other relief to which Plaintiff is entitled under the applicable United States laws and regulations or as this Court deems just and proper.

### **DEMAND FOR JURY TRIAL**

Pursuant to the Federal Rules of Civil Procedure Rule 38(b), Plaintiff hereby demands trial by jury as to all claims in this litigation.

Respectfully Submitted:

#### /s/ Samuel S. Woodhouse

Samuel S. Woodhouse, Esq. GA Bar No. 755070 The Woodhouse Law Firm, LLC 260 Peachtree Street, NW, Suite 1402 Atlanta, GA 30303-1237 swoodhouse@woodhouselawfirm.com

#### /s/ Joseph J. Zito

Joseph J. Zito (To be admitted pro hac) WHITESTONE LAW 1850 Towers Crescent Plaza, #550 Tysons, Virginia 22182 202-466-3500 jzito@whitestone.law

Attorneys for Plaintiff MEAC Engineering