1 Frederic M. Douglas (Bar No. 212778) fdouglas@cox.net 2 15333 Culver Drive, Suite 340 Irvine, CA 92604-3051 3 Telephone: (949) 293-0442 4 Facsimile: (949) 203-8768 5 Attorney for Plaintiff 6 WIN ELEMENTS LLC 7 THE UNITED STATES DISTRICT COURT 8 CENTRAL DISTRICT OF CALIFORNIA 9 WESTERN DIVISION 10 WIN ELEMENTS LLC, a California Case No.: 11 limited liability company, **COMPLAINT FOR:** 12 Plaintiff, 1) DECLARATORY 13 JUDGMENT OF NON-VS. 14 INFRINGEMENT OF U.S. PATENT NO. 12,133,078 B2; 15 YONDR, INC., a Delaware corporation, 2) DECLARATORY 16 JUDGMENT OF Defendant **INVALIDITY OF U.S.** 17 PATENT NO. 12,133,078 B2; 18 **AND** 3) DECLARATORY 19 **JUDGMENT OF** INEQUITABLE CONDUCT. 20 21 **DEMAND FOR JURY TRIAL** 22 **COMPLAINT** 23 Plaintiff WIN ELEMENTS LLC ("Win Elements" or "Plaintiff") seeks a 24 declaration that Plaintiff does not directly or indirectly infringe U.S. Patent No. 25

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12,133,078 B2, that U.S. Patent No. 12,133,078 B2 is invalid, and that the patentee committed inequitable conduct.

NATURE OF THE ACTION

1. This is an action for a declaratory judgment of non-infringement arising under the patent laws of the United States, Title 35 of the United States Code. Plaintiff requests this relief because Defendant YONDR, INC. ("Yondr") has asserted against Plaintiff United States Patent No. 12,133,078 B2 ("the '078 Patent") arising by Defendant's allegations that Plaintiff is infringing the '078 Patent. Defendant alleges that it is entitled to an injunction, an award of monetary damages, and an award of court costs and interest, with treble damages and attorney's fees based on Defendant's allegations that Plaintiff is "making, using, offering to sell, selling and/or importing" goods that infringe the '078 Patent asserted by Defendant. All of these allegations are pressed although, in fact, Plaintiff has previously disclosed to Defendant in prior litigation, and since then, of relevant prior art and detailed invalidity charts as to substantive elements of the claims that eventually issued in the '078 Patent. Defendant sent a letter to Plaintiff asserting allegations that Defendant infringes the '078 Patent, creating a justiciable controversy between Plaintiff and Defendant.

THE PARTIES

- 2. Plaintiff WIN ELEMENTS LLC ("Win Elements" or "Plaintiff") is a California limited liability corporation with its principal place of business located at 31500 Grape Street, Suite 3-357, Lake Elsinore, California 92532. Win Elements sells phone pouches to control smartphone use.
- 3. Upon information and belief, Defendant YONDR, INC. ("Yondr") is California corporation, with a principal place of business at 12503 Venice Blvd., Los Angeles, California 90066. Upon further information and belief Yondr states at its website at https://www.overyondr.com, "The Yondr program creates phone-free spaces for artists, educators, organizations and individuals."

- 4. Defendant Yondr claims to own United States Patent No. 12,133,078 B2 ("the '078 Patent"), entitled "System and Apparatus for Selectively Limiting User Control of an Electronic Device." The USPTO issued the '078 Patent on October 29, 2024, from U.S. Patent Application No. 18/604,847, filed on March 14, 2024, (attached hereto, and incorporated by reference as Exhibit 1).
- 5. Defendant Yondr is the purported owner, by assignment, of United States Patent No. 9,819,788 ("the '788 Patent"), entitled "System and Apparatus for Selectively Limiting User Control of an Electronic Device." The USPTO issued the '788 Patent on November 14, 2017, from U.S. Patent Application No. 14/692,530, filed on April 21, 2015.
- 6. The U.S. Patent Office never granted or recognized priority to any alleged provisional patent application regarding the '078 Patent or the '788 Patent.
- 7. Plaintiff is informed and believes, and on that basis alleges, Yondr is responsible in some manner for the events, occurrences and happenings herein referred to, either contractually or tortiously, and each singly or together caused the damage to the Plaintiff as herein alleged.
- 8. Plaintiff is informed and believes, and based thereon alleges, that Defendants, and each of them, at all relevant times were and are the agents, employees, partners, joint venturers, owners, principals, employers or other representatives of each and every other defendant, and in doing the things hereinafter alleged, were acting within the course and scope of such agency, employment, partnership, joint venture, representation, or ownership. Plaintiff is further informed and believes, and based thereon alleges, that the acts and conduct herein alleged of each such defendant were known to, authorized by, consented to or ratified by the other remaining defendants and each of them.

JURISDICTION AND VENUE

- 9. This Court has subject matter jurisdiction over this matter pursuant to: 28 U.S.C. §§ 1331, 1338(a), 2201(a), 2202; 35 U.S.C. § 281; and 35 U.S.C. §§ 1-390.
- 10. This Court has personal jurisdiction over Defendant in this action and venue is proper in this judicial district under 28 U.S.C. § 1400(b) and 28 U.S.C. § 1391(b), (d) because, as alleged further below: (a) Defendant maintains a principal business office within the State of California and within this District; and (b) a substantial part of the acts or omissions giving rise to the asserted claims occurred or had effects in this judicial district.
- 11. Venue is proper in this district under 28 U.S.C. § 1391 and § 1400(b) as Defendant is subject to the personal jurisdiction of the Court situated herein and has alleged that Plaintiff committed acts of infringement in this District. Defendant is registered to do business in the State of California. Defendant has a regular and established place of business in this District. For example, Defendant has an office at 12503 Venice Blvd., Los Angeles, California 90066.

GENERAL ALLEGATIONS

- 12. Plaintiff manufactures and sells its "Safe Pouch" product, which is a smartphone case for locking up smartphones, while unlocking the case with a magnet.
- 13. On or about October 9, 2024, Defendant, via its legal counsel, transmitted to Plaintiff a letter (the "October 9, 2024 Letter"). The October 9, 2024 Letter (attached hereto, and incorporated by reference as Exhibit 2) stated that the "purpose of this letter is to place you on notice of a new patent that is going to issue imminently to Yondr which will contain claims covering Win Elements' Safe Pouch-branded phone pouches and to request that Win Elements promptly cease making and selling those pouches."

- 14. The October 9, 2024 Letter identified the subject matter of the expected patent as "U.S. Appl. Ser. No. 18/604,847 (the '847 App.')." The Plaintiff's October 9, 2024 Letter attached as Exhibit B thereto a "copy of the '847 App., the allowed claims of the '847 App., and the Notice of Allowance for the '847 App."
- 15. The October 9, 2024 Letter stated that it was putting Plaintiff on notice of infringement of one or more claims of the '847 App. and Defendant's intent to seek pre-issuance damages under 35 U.S.C. § 154(d).
- 16. Defendant demanded in its October 9, 2024 Letter that Plaintiff immediately cease "manufacturing, importing, using, selling, and offering to sell its Safe Pouchbranded phone pouches;" "halting any infringing activities conducted by or through third parties such as Amazon;" recall and destroy "all infringing Safe Pouch-branded phone pouches;" and provide written confirmation of the demands within fourteen days of receipt of the October 9, 2024 Letter.
- 17. Defendant's fourteen-day deadline expired as early as October 23, 2024, despite the '078 Patent having not issued by that time.
- 18. Defendant's October 9, 2024 Letter stressed that it was "prepared to take all steps necessary to protect its valuable intellectual property rights, without further notice to Win Elements, upon issuance of the '847 App."
- 19. The Defendant's October 9, 2024 Letter included an attached Exhibit A, consisting of a "Confidential Settlement Agreement" that is not attached hereto to maintain the confidentiality of that agreement.
- 20. As a result of the October 9, 2024 Letter and based on threats made therein, Plaintiff has a reasonable fear and apprehension that Defendant will commence an action for patent infringement against Plaintiff, its customers, and third parties, such as Amazon, in the United States. An actual and justiciable controversy, therefore, exists between the Plaintiff and the Defendant.

FIRST CAUSE OF ACTION

Declaratory Judgment for Non-Infringement

- 21. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 20 as though fully set forth therein.
- 22. Plaintiff brings this claim 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.
- 23. Upon information and belief, Defendant is the owner of U.S. Patent No. 12,133,078 B2 (the "'078 Patent"), which purports to cover a case having a locking means to at least partially secure an opening to contain a mobile electronic device.
- 24. Plaintiff contends that it does not infringe any valid claim of the '078 Patent, and that each claim of the '078 Patent is invalid.
- 25. Plaintiff's unique products contain significant differences from the inventions claimed in the '078 Patent. Specifically, Plaintiff's pouches fail to incorporate any of the following claimed elements from the '078 Patent "the lock further configured to enable access to the mobile device based on a predetermined condition associated with a geographic region," "wherein the predetermined condition is further associated with a time period," "wherein the geographic region corresponds to a physical position of the case respective to a geographic area of a venue," "interaction with a detacher," an "RFID tag," "a microprocessor," "disabling at least one function of the mobile device," a "female plate," a "male plate," "wherein the predetermined condition is further associated with a passage of time;" or "wherein the mobile electronic device is operative to receive instructions to disable one or more coded functions of the mobile electronic device."
- 26. Plaintiff has not directly infringed, indirectly infringed, induced the infringement of, nor has been a contributory infringer, of any of the claims of the '078 Patent.

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- 27. By reason of the foregoing, an actual controversy has arisen and now exists between Plaintiff and Defendant concerning infringement of the '078 Patent.
- 28. Plaintiff seeks a declaratory judgment from this Court pursuant to 28 U.S.C. § 2201 declaring that Plaintiff does not infringe the claims of the '078 Patent.
- 29. Plaintiff also seeks an award of its costs and attorneys' fees pursuant to 35 U.S.C. § 285, as this is an exceptional case.

SECOND CAUSE OF ACTION

Declaratory Judgment for Invalidity

- 30. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 29 as though fully set forth therein.
- 31. Plaintiff brings this claim 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.
- 32. Upon information and belief, Defendant is the owner of U.S. Patent No. 12,133,078 B2 (the "'078 Patent"), which purports to cover a case having a locking means to at least partially secure an opening to contain a mobile electronic device.
- 33. Plaintiff contends that it does not infringe any valid claim of the '078 Patent, and that each claim of the '078 Patent is invalid.
- 34. Upon information and belief, each claim of the '078 Patent is invalid under one or more provisions of the patent laws, including but not limited to:
 - 35 U.S.C. § 101 (ineligible subject matter);
 - 35 U.S.C. § 102 (anticipation by prior art);
 - 35 U.S.C. § 103 (obviousness in view of prior art); and/or
 - 35 U.S.C. § 112 (failure to satisfy the requirements of written description, enablement, or definiteness).
- 35. For example, and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent

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claims of the '078 Patent are anticipated or rendered obvious by U.S. Patent Application Publication 2012/0187003 A1, published on July 26, 2012, from an application filed on January 21, 2011, as U.S. Patent Application No. 13/011,356.

- 36. For another example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious by U.S. Patent Application Publication 2002/0130777 A1, published on September 19, 2002, from an application filed on March 12, 2002, as U.S. Patent Application No. 10/095,034.
- 37. For yet another example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious by European Application Publication EP2144208 A1, published on January 13, 2010, from an application filed on July 9, 2009, as Application No. 09305667.9, claiming priority from French Application No. 0803962, filed on July 11, 2008.
- 38. For still yet another example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious by U.S. Patent Application Publication 2005/0225445 A1, published on October 13, 2005, from an application filed on April 25, 2005, as U.S. Patent Application No. 11/113,323, claiming priority from Application No. PCT/CA03/01025, filed on October 24, 2003, and Canadian Patent Application No. 2,409,624, filed on October 25, 2002, issued on October 10, 2006, as U.S. Patent No. 7,119,684 B2.
- 39. For a further example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious by U.S. Patent No. 8,698,627 B2, issued on April 15, 2014, from an application filed on

December 22, 2010, as U.S. Patent Application No. 12/975,635, claiming priority from a series of applications, including U.S. Provisional Patent Application No. 61/143,112, filed on January 7, 2009.

- 40. A still further example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious by International Patent Application Publication WO-2004-092037-A1 by Steven A Barth, published on October 28, 2004, with a priority date of April 14, 2003.
- 41. Another example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious U.S. Patent Application Publication 2014/190841 A1, published on July 10, 2014, from an application filed on December 3, 2013 by Michael J. Nash, with a priority date of September 7, 2010.
- 42. Yet another example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious U.S. Patent Application Publication 2012/0061134 A1, published on March 15, 2012, from an application filed on July 13, 2011 by Linda Kennedy, with a priority date of April4, 2008.
- 43. A yet still further example and without limitation to other invalidity arguments that Parties may make following claim construction and discovery, at least all independent claims of the '078 Patent are anticipated or rendered obvious by International Patent Application Publications WO-2014-122001-A1 by James Theobald, published on August 14, 2014, with a priority date of February 7, 2013.
- 44. The above-referenced prior art may be combined, perhaps with additional prior art, to anticipate and render obvious the claims of the '078 Patent.

- 45. For example, U.S. Patent No. 6,218,929 B1, issued on April 17, 2001, to Noritoshi Furuta, et al., from an application filed on June 10, 1998, with a priority date of June 12, 1997, teaches the use of a predetermined condition of physical presence outside of a defined geographical region for unlocking, such as at Column 2, lines 5-21, which is claimed in all independent claims of the '078 Patent.
- 46. In another example, U.S. Patent No. 6,608,548 B1, issuing on August 19, 2003, to Pierre Pellaton, et al., claiming priority from a May 22, 1998 PCT application, with a priority date of May 30, 1997, teaches using a predetermined condition which is the passage of time, for locking and unlocking according to predetermined time conditions, such as at claim 2 of the U.S. Patent No. 6,608,548 B1.
- 47. By reason of the foregoing, an actual controversy has arisen and now exists between Plaintiff and Defendant concerning the validity of the '078 Patent.
- 48. A judicial declaration is necessary and appropriate so that Defendants may ascertain their rights as to whether the '788 patent is invalid.
- 49. Plaintiff seeks a declaratory judgment from this Court pursuant to 28 U.S.C. § 2201 declaring that the claims of U.S. Patent No. 12,133,078 B2 ("the '078 Patent") are invalid for failing to comply with the patent laws of the United States, including, but not limited to, 35 U.S.C. §§ 101, 102, 103, and/or 112.
- 50. Plaintiff also seeks an award of its costs and attorneys' fees pursuant to 35 U.S.C. § 285, as this is an exceptional case.

THIRD CAUSE OF ACTION

Declaratory Judgment for Inequitable Conduct

- 51. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 50 as though fully set forth therein.
- 52. Upon information and belief, Defendant was aware of the existence of the aforementioned patents and patent application publications and many other relevant

and material prior art documents, at least as early as November 10, 2023, but did not disclose any prior art documents to the Examiner in the prosecution of the '078 Patent.

- 53. As early as April 2, 2024, Defendant was informed by the U.S. Patent and Trademark Office during prosecution of this application and in other applications that the applicant must advise the Examiner as to which specific portion or page of the prior art is relevant.
- 54. Defendant was advised as early as April 2, 2024 that applicants are required to highlight those documents which have been specifically brought to applicant's attention and/or are known to be of most significance.
- 55. On or about November 6, 2023, Plaintiff, through counsel, delivered to patent prosecution counsel for Defendant numerous relevant pieces of material prior art. Attached hereto as Exhibit 3 is a true and correct copy of a November 6, 2023 letter to Defendant's patent prosecution counsel.
- 56. Defendant failed to disclose any of these prior art documents to the Examiner pursuant to Patent Office procedures to advise the Examiner of material prior art that the Examiner would have wanted to review during the prosecution of the application that matured into the '078 Patent.
- 57. The November 6, 2023 Letter was followed by a "Concise Description of the Asserted Relevance of an Item Identified in the Document List" for some of the listed prior art documents. Attached hereto as Exhibit 4 is a true and correct copy of such descriptions, listing relevant portions (e.g., figures, paragraphs) with varying emphases, which demonstrate the relevance of the prior art document for determining the validity of the pending claims.
- 58. But for Defendant intentionally and knowingly not disclosing the relevant prior art provided by Plaintiff, including not disclosing the provided descriptions of key documents, the Examiner would not have allowed the claims of the '078 Patent

and no such patent would have issued, let alone other patents obtained by the Defendant if Defendant had made the required prior art disclosures.

59. In view of the foregoing, Defendant failed in its duty to disclose to the U.S. Patent and Trademark Office information and documents of which it was aware that were material to the examination of the application that matured into the '078 Patent. The '078 Patent is, therefore, unenforceable due to Defendant's inequitable conduct and fraud upon the Patent and Trademark Office during prosecution and due to the issuance of said patent in violation of 35 U.S.C. §§ 101, 102 and 103, along with misuse of the '078 Patent after issuance on October 29, 2024.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against Defendant as follows:

- A. United States Patent No. 12,133,078 B2 is unenforceable and not infringed by Plaintiff;
- B. Plaintiff has not committed any act of infringement of Defendant's patent with respect to products made, used or sold by Plaintiff since the issuance of such patent on October 29, 2024;
 - C. Declaring that the claims of U.S. Patent No. 12,133,078 B2 are invalid;
- D. Defendants and all of its officers, agents, employees, representatives, and counsel, and all persons in active concert or participation with any of them, directly or indirectly, be enjoined from charging infringement or instituting any action for infringement of U.S. Patent No. 12,133,078 B2 against Plaintiff or any of its customers and contractors;
- E. This is an exceptional case, pursuant to 35 U.S.C. § 285. Plaintiff therefore specifically requests that the Court increase its damage award by a factor of three and award Plaintiff its reasonable attorney's fees, expenses and costs in this action; and

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