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14 *Attorneys for Plaintiff DMF, Inc.*

15 **IN THE UNITED STATES DISTRICT COURT**
16 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

17 DMF, Inc.,
18 a California corporation

19 Plaintiff,

20 v.

21 LOTUS LED LIGHTING LTD.,
22 a Canadian company

23 Defendant.

24 Civil Action No. 2:20-cv-0893

25 **JURY TRIAL DEMAND**

26 **Complaint For Patent Infringement**

27 This is a patent infringement action arising out of the copying of the
28 ornamental design of Plaintiff DMF Inc.’s (“DMF’s) award winning OneFrame LED
housing by Defendant Lotus LED Lighting Ltd. (“Lotus”) to make imitation LED
housing products. DMF seeks damages and injunctive relief based on the
infringement by Lotus of DMF’s U.S. Patent No. D848,375 (“the ‘375 Patent”) and
U.S Patent No. D833,977 (“the 977 Patent”), entitled “Electrical Junction Box”
(collectively the “patents-in-suit”).

1 **I. Parties**

2 1. Plaintiff DMF is headquartered and has manufacturing facilities within
3 this District at 1118 East 223rd Street, Carson, California 90745.

4 2. On information and belief, Defendant Lotus is incorporated in Canada,
5 and has a principal place of business located at 1080 Cliveden Ave, Unit 7, Delta,
6 BC, V3M 6G6.

7 **II. Jurisdiction and Venue**

8 3. This action arises under the patent laws of the United States, Title 35 of
9 the United States Code. Accordingly, this Court has subject matter jurisdiction
10 under 28 U.S.C. §§ 1331, 1332 and 1338(a).

11 4. This Court has personal jurisdiction over Defendant Lotus in this action
12 because, among other reasons, on information and belief, Lotus has committed and
13 continues to commit direct acts of infringement within the Central District of
14 California giving rise to this action, and has established minimum contacts with the
15 forum state of California, by placing infringing products into the stream of
16 commerce with the knowledge, understanding and expectation that such products
17 will be sold in the state of California and in this judicial district. Lotus additionally
18 has offered products in this judicial district, including through its website, which
19 includes an interactive tab for customers to “Find Your Nearest Store,” including in
20 this judicial district, as well as an “Agent Locator” in Los Angeles. Moreover, on
21 information and belief, Lotus has committed and continues to commit acts of indirect
22 infringement in this judicial district by, among other things, while having
23 knowledge, inducing others such as Agents West, a manufacturer’s representative
24 with its principal place of business in Irvine, California, to commit direct acts of
25 infringement by offering for sale and/or selling to customers in this judicial district
26 products that infringe the patents-in-suit. Lotus therefore has purposefully availed
27 itself of the benefits of doing business in the state of California, and the exercise of
28 jurisdiction over Lotus would not offend traditional notions of fair play and

1 substantial justice. On information and belief the President and CEO of Lotus is
2 Georgi Georgiev, a resident of Canada, is a dominant and active force behind the
3 wrongful acts complained of herein.

4 5. Venue is proper in this District under 28 U.S.C. §§ 1391(c)(3) and
5 1400(b) because Lotus has committed acts of patent infringement in this District.

6 **III. The Patents-In-Suit**

7 6. On May 14, 2019, the ‘375 Patent, entitled “Electrical Junction Box,”
8 was duly and legally issued by the U.S. Patent and Trademark Office (“USPTO”) to
9 DMF’s inventors Michael D. Danesh and Xinzhi Peng. A true and correct copy of
10 the ‘375 Patent is attached as Exhibit 1. The ‘375 Patent is valid, enforceable and in
11 full force and effect.

12 7. DMF is the owner and assignee of all rights, title and interest in the
13 ‘375 Patent, including the right to bring this action and enforce the ‘375 Patent
14 against infringers, and to collect damages for all relevant times.

15 8. On November 20, 2018, the ‘977 Patent, entitled “Electrical Junction
16 Box,” was duly and legally issued by the U.S. Patent and Trademark Office
17 (“USPTO”) to DMF’s inventors Michael D. Danesh and Xinzhi Peng. A true and
18 correct copy of the ‘977 Patent is attached as Exhibit 2. The ‘977 Patent is valid,
19 enforceable and in full force and effect.

20 9. DMF is the owner and assignee of all rights, title and interest in the
21 ‘977 Patent, including the right to bring this action and enforce the ‘977 Patent
22 against infringers, and to collect damages for all relevant times.

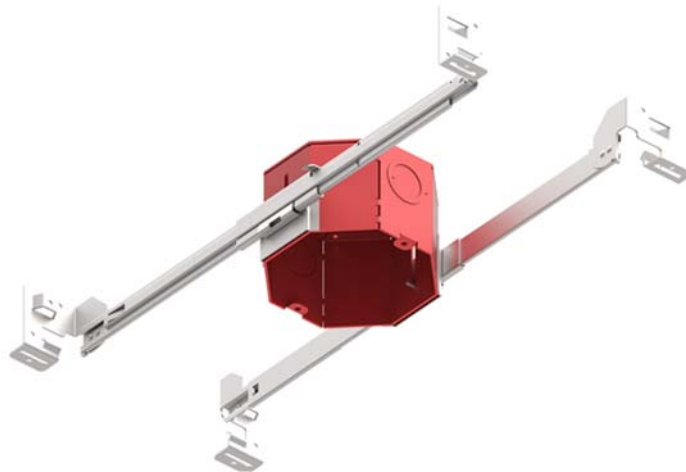
23 **IV. Factual Background**

24 10. DMF is a leading manufacturer of residential and commercial
25 downlighting. DMF’s products stand out for their forward-thinking industrial
26 designs, and are selected by specifiers for prestigious new constructions throughout
27 the United States. DMF’s headquarters and manufacturing facilities in Carson,
28 California include a state-of-the-art research and development laboratory where

1 engineers and product designers work to improve existing products and develop new
2 ones. DMF invests substantially in its continuing efforts to develop leading
3 innovations in the LED lighting industry and has been awarded a number of industry
4 awards as well as United States patents on its innovations.

5 11. DMF developed a rigorous quality control program for its products that
6 has earned and maintained DMF's reputation as a leading supplier of LED lighting
7 products that can be trusted to perform as advertised. All DMF products undergo a
8 rigorous, multi-tiered testing process to ensure that they meet DMF's stringent
9 performance standards. DMF employs a number of U.S. military veterans in its
10 operation and performs quality-control testing procedures developed by the U.S.
11 military. As a result, DMF's lighting fixtures have an industry leading success rate.

12 12. DMF makes, sells, and promotes LED housings for whose ornamental
13 designs are protected by the '375 Patent and the '977 Patent. These housings
14 include the OneFrame – a revolutionary LED junction box housing created for
15 multifamily construction, an image of which is shown below:



25 13. DMF started marketing and selling its OneFrame – LED junction box
26 housing products in 2014. By early 2015, the OneFrame – LED junction box was a
27 prominent part of DMF's public website.
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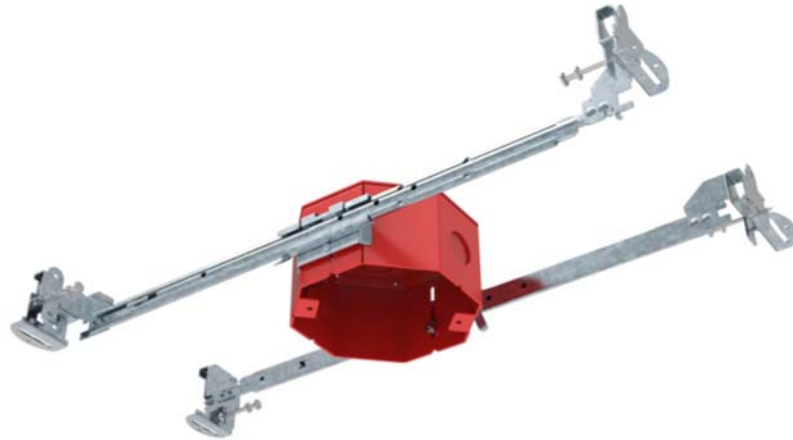
1 14. DMF showcased its OneFrame – LED junction box at many industry
2 tradeshows since at least June 2014, including:

- 3 ● LIGHTFAIR International 2014, Las Vegas, NV (June 3-5, 2014)
- 4 ● LIGHTFAIR International 2015, New York, NY (May 5-7, 2015)
- 5 ● LIGHTFAIR International 2016, San Diego, CA (April 26-28, 2016)
- 6 ● LIGHTFAIR International 2017, Philadelphia, PA (May 7-9, 2017)
- 7 ● LIGHTFAIR International 2018, Chicago, IL (May 8-10, 2018)
- 8 ● LIGHTFAIR International 2019, Philadelphia, PA (May 19-23, 2019)

9 15. On information and belief, Defendant Lotus is a commodity-grade
10 supplier of lighting fixtures that owns the website at www.lotusledlights.com. (the
11 “Lotus website”). After seeing the success of DMF’s OneFrame – LED housing,
12 Lotus decided to make an imitation and sell it under names including at least Lotus
13 Model No. LBL-FRB products (“the Lotus Products”). Lotus makes, uses, sells,
14 offers for sale and promotes the Lotus Products on its website, and places infringing
15 products into the stream of commerce with the knowledge, understanding and
16 expectation that such products will be sold in the state of California and in this
17 judicial district. Additionally, with knowledge and through the assistance of agents
18 and/or representatives, such as Agents West, a manufacturer’s representative based
19 in Irvine, California, Lotus sells and/or offers for sale, and or induces others to sell
20 and/or offer for sale the Lotus Products in the state of California and in this judicial
21 district.

22 An image of the Lotus LBL-FRB junction box obtained from a specification
23 sheet available on the Lotus website at:

24 <https://www.lotusledlights.com/resources/Spec-Sheet-LBL-FRB.pdf> is shown
25 below:



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9 A true and correct copy of the Lotus website page is attached hereto as Exhibit 3. A
10 true and correct copy of the Lotus specification sheet is attached hereto as Exhibit 4.

11 16. On May 27, 2020, DMF’s counsel sent a letter to Mr. Georgiev, the
12 President and CEO of Lotus, informing Lotus of its infringement of the ‘375 and
13 ‘977 Patents and attaching copies of the Patents to the letter (the “May 27 Letter”).
14 DMF’s counsel demanded that Lotus, and those acting in concert with Lotus, cease
15 and desist from further infringement and that Lotus provide a sample of its products.
16 A true and correct copy of the May 27 Letter is attached hereto as Exhibit 5.

17 17. On June 12, 2020, DMF’s counsel received a reply from Canadian
18 counsel representing Lotus (the “June 12 Response Letter”). Lotus’ counsel did not
19 confirm that Lotus would stop further infringement of the ‘375 and ‘977 Patents or
20 provide a sample of its products. Lotus instead argued through its counsel that its
21 ornamental design did not infringe DMF’s design patents because Lotus used inward
22 facing tangs for attaching a light fixture.

23 18. On information and belief, as of June 25, 2020, Lotus not only has
24 offered and sold and induced others to offer and sell infringing LBL-FRB products,
25 but it currently continues to offer and sell and induce others to offer and sell
26 infringing LBL-FRB products.
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28

CLAIMS FOR RELIEF

COUNT I: INFRINGEMENT OF THE '375 PATENT

19. DMF hereby incorporates paragraphs 1 - 18 as if fully set forth herein.

20. The claimed design of the '375 Patent is shown in the patent and described in the accompanying figure descriptions. *See Exhibit 1.* Representative images of the claimed design of the electrical junction box are shown below:

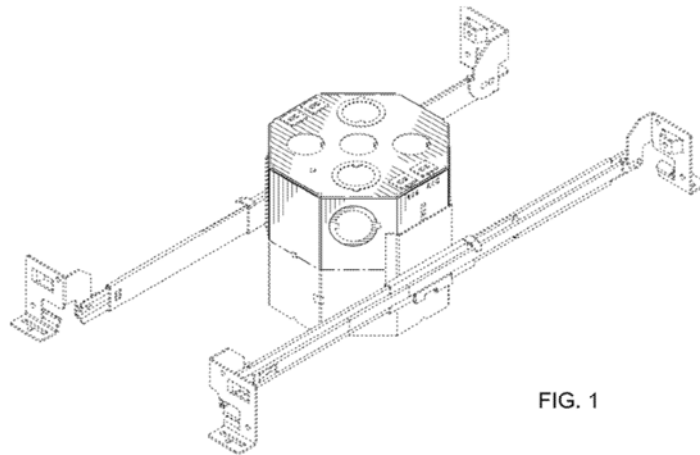


FIG. 1

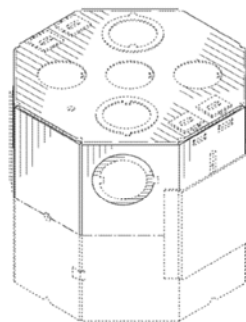


FIG. 2

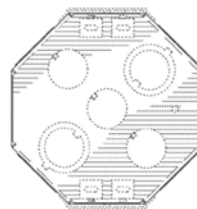
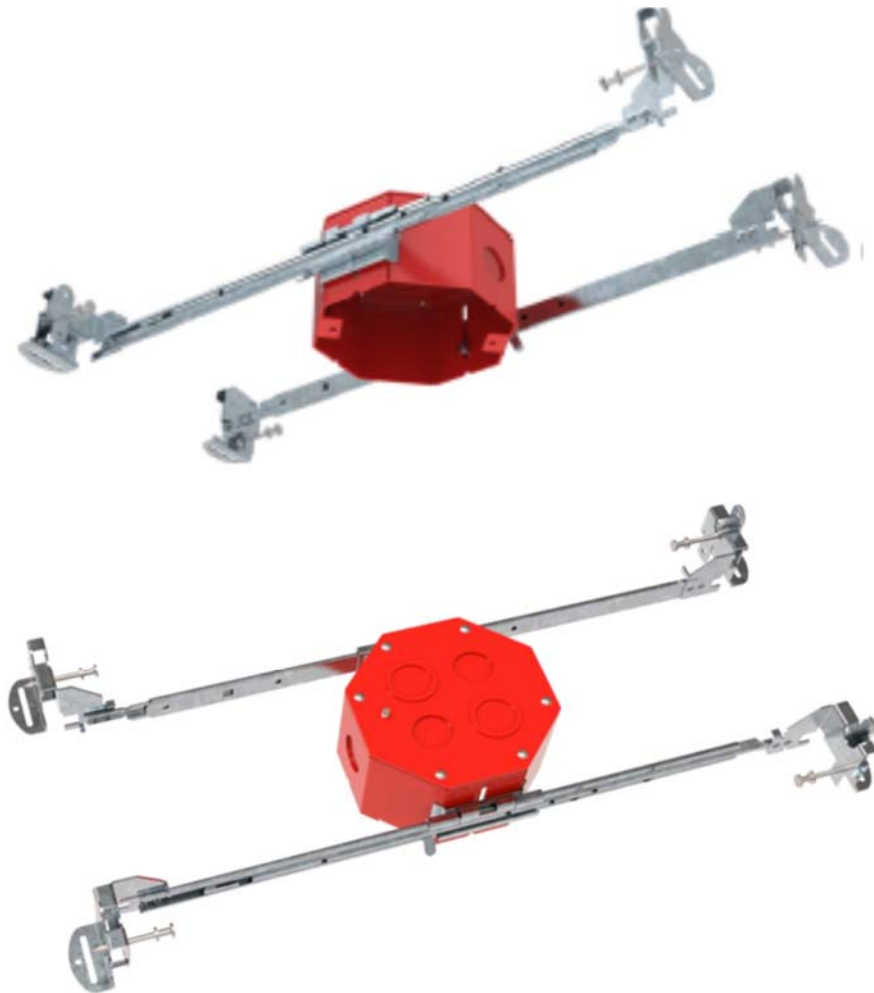


FIG. 3

1 21. Lotus sells and/or offers LBL-FRB products for sale, including through
2 its website and, on information and belief, through manufacturer's representatives
3 such as Agents West, acting in concert with and/or induced by Lotus.

4 Representative images of LBL-FRB products from the Lotus website are shown
5 below:



23 22. On information and belief Lotus also sells and/or offers to sell the LBL-
24 FRB products through distributors, including online distributors and, on information
25 and belief, multiple brick and mortar distributors that do not publicly show the
26 products they sell, for example on a website.

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1 23. In the eye of the ordinary observer familiar with the relevant prior art,
2 giving such attention as a purchaser usually gives, the claimed design of the '375
3 Patent and the design of the LBL-FRB products are substantially the same, such that
4 the ordinary observer would be deceived into believing that the design of the LBL-
5 FRB products is the design claimed in the '375 Patent.

6 24. DMF did not give Lotus authorization or license to make, use, offer
7 to sell, or sell the infringing products, and as set forth above has specifically asked
8 Lotus, and those acting in concert with Lotus to cease and desist from further
9 infringement.

10 25. Lotus has directly infringed, and continues to directly infringe, the '375
11 Patent by making, using, importing, offering to sell and/or selling the LBL-FRB
12 products having substantially the same ornamental design as the design claimed in
13 the '375 Patent. Lotus has indirectly infringed, and continues to indirectly infringe,
14 the '375 Patent by, with knowledge, inducing others, such as Agents West to sell
15 and/or offer for sale the LBL-FRB products having substantially the same
16 ornamental design as the design claimed in the '375 Patent. As a result of Lotus's
17 infringement, DMF is entitled to damages of at least a reasonable royalty for the
18 infringement, lost profits, disgorgement of Lotus's profits and/or at least \$250 for
19 each infringing product.

20
21 **COUNT II: INFRINGEMENT OF THE '977 PATENT**

22 26. DMF hereby incorporates paragraphs 1 - 25 as if fully set forth herein.

23 27. The claimed design of the '977 Patent is shown in the patent and
24 described in the accompanying figure descriptions. Representative images of the
25 claimed design are shown below:
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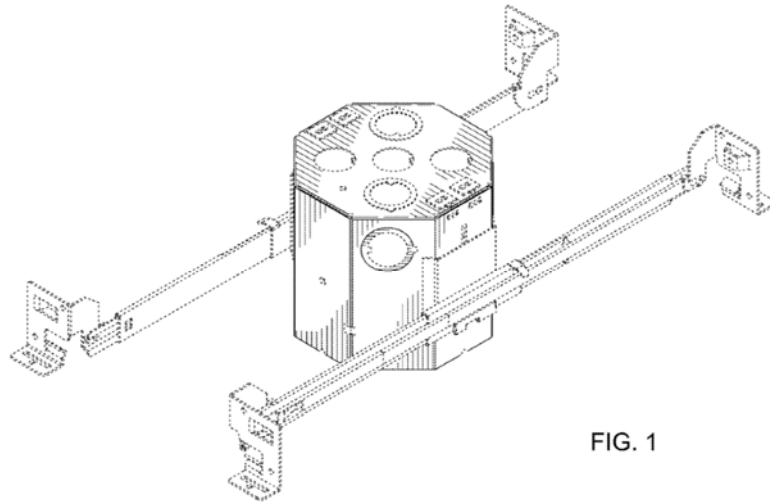


FIG. 1

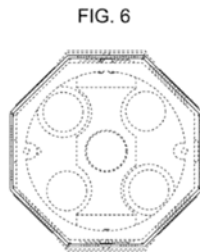


FIG. 6

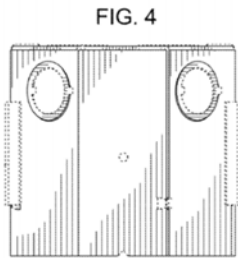


FIG. 4

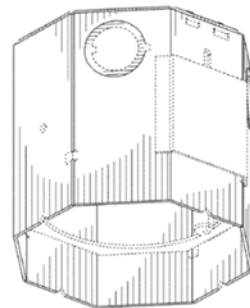


FIG. 7

28. In the eye of the ordinary observer familiar with the relevant prior art, giving such attention as a purchaser usually gives, the claimed design of the '977 Patent and the design of the the LBL-FRB products shown above are substantially the same, such that the ordinary observer would be deceived into believing that the design of the LBL-FRB products is the design claimed in the '977 Patent.

29. DMF did not give Lotus authorization or license to make, use, offer

1 to sell, or sell the infringing products, and as set forth above has specifically asked
2 Lotus, and those acting in concert with Lotus to cease and desist from further
3 infringement.

4 30. Lotus has directly infringed, and continues to directly infringe, the '977
5 Patent by making, using, importing, offering to sell and/or selling the LBL-FRB
6 products having substantially the same ornamental design as the design claimed in
7 the '977 Patent. Lotus has indirectly infringed, and continues to indirectly infringe,
8 the '977 Patent by, with knowledge, inducing others, such as Agents West to sell
9 and/or offer for sale the LBL-FRB products having substantially the same
10 ornamental design as the design claimed in the '977 Patent. As a result of Lotus's
11 infringement, DMF is entitled to damages of at least a reasonable royalty for the
12 infringement, lost profits, disgorgement of Lotus's profits and/or at least \$250 for
13 each infringing product.

14 **35 U.S.C. § 284 Willful Infringement**

15 31. Lotus has been aware of the '375 Patent and the '977 Patent at least as
16 of the time it received the May 27, 2020 letter from DMF's Counsel notifying Lotus
17 of the infringement. On information and belief, Lotus knew about these patents
18 earlier, since at least shortly after its attendance at a 2019 trade show where it
19 studied DMF's patented products and indicated its intention to copy them. On
20 information and belief, Lotus knew that it copied DMF's patented products and that
21 there was a high likelihood that its copies of these products would be found to
22 infringe.

23 32. Lotus' actions have been willful. Lotus, with knowledge of the patents
24 and their infringement, and despite having copied its competitor's patented product,
25 not only failed to take remedial action after receiving DMF's letter, but, on
26 information and belief, continued to offer the product to DMF's customers and
27 potential customers.

PRAYER FOR RELIEF

Plaintiff DMF respectfully requests the following relief from the Court:

- A. A judgment that Lotus has infringed the ‘375 Patent;
- B. A judgment that Lotus has infringed the ‘977 Patent;
- C. A judgment and order requiring Lotus to pay DMF its damages, costs, expenses, prejudgment interest and post-judgment interest for Lotus’s acts of infringement;
- D. Injunctive relief;
- E. An accounting for all profits derived by Lotus from its unlawful acts;
- F. An award to DMF of its reasonable attorney fees, and
- G. Any and all other relief to which DMF may show itself to be entitled.

Respectfully submitted,

Dated: June 29, 2020

By: /s/ Ben M. Davidson
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Attorneys for Plaintiff DMF, Inc.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, DMF requests a trial by jury of any issues so triable by right.

Dated: June 29, 2020

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Ex. No. Description

- 1..... U.S. Patent No. D848,375
- 2..... U.S. Patent No. D833,977
- 3..... Lotus website for LBL-FRB
- 4..... Lotus specification sheet for LBL-FRB
- 5..... May 27, 2020 letter from DMF’s Counsel to Lotus