IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF WISCONSIN

MINITUBE OF AMERICA, INC.

Plaintiff,

VS.

Civil Action No.: 13-cv-685

JURY TRIAL DEMANDED

REPRODUCTION PROVISIONS, LLC; MINITUB GMBH; and MINITUBE INTERNATIONAL AG

Defendants.

COMPLAINT

Plaintiff, Minitube of America, Inc. ("MOFA"), brings this action for patent infringement, false patent marking, trademark infringement, false designation of origin, and unfair competition against defendants Reproduction Provisions, LLC ("Reproduction Provisions") and Minitüb GmbH and Minitube International AG (collectively "Minitüb /MTI") and (collectively, "Defendants"). MOFA alleges as follows:

PARTIES

- 1. MOFA is a Wisconsin corporation with a principal place of business at 419

 Venture Court, Verona, Wisconsin 53593. MOFA is a leading provider of assisted reproduction technologies for porcine, bovine, equine and canine species in North America.
- 2. Reproduction Provisions, formerly doing business as ITSI Provisions LLC and Prairie Provisions, is a Wisconsin limited liability company with a principal place of business at 320 S. Main Street, Walworth, Wisconsin 53184
 - 3. Minitüb GmbH is a German limited liability company with a principal place of

business at Hauptstrasse 41, 84184 Tiefenbach, Germany.

4. Minitube International AG is a closely held German company with a principal place of business at Hauptstrasse 41, 84184 Tiefenbach, Germany.

JURISDICTION AND VENUE

- 5. This is an action for patent infringement under 35 U.S.C. § 271, false patent marking under 35 U.S.C. § 292, trademark infringement under 15 U.S.C. § 1114, and false advertising and unfair competition under 15 U.S.C. § 1125, Wis. Stat. § 100.18 and Wisconsin common law.
- 6. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a); and 35 U.S.C. § 271.
- 7. This Court has supplemental subject matter jurisdiction over the Wisconsin state law claims pursuant to 28 U.S.C. § 1367(a). The Wisconsin state claims asserted herein are so related to the federal claims as to form part of the same case or controversy.
- 8. This Court has personal jurisdiction over the Defendants because defendant Reproduction Provisions has its principal place of business in this district and does substantial business here. In addition, defendants Minitüb and MTI have appointed Reproduction Provisions to be their exclusive distributor in the United States. Accordingly, the Defendants have purposely availed themselves of Wisconsin's laws, services and/or other benefits and therefore should reasonably anticipate being hailed into one or more of the courts within the State of Wisconsin.
- 9. On information and belief, venue is proper pursuant to 28 U.S.C. §1391 (b) and (c) and 28 U.S.C. § 1400.

FACTUAL BACKGROUND COMMON TO ALL CLAIMS

A. Background of the Parties

- 10. MOFA, Minitüb/MTI and Reproduction Provisions all operate in the animal reproduction technology industry and all supply similar types of goods and services.
 - 11. The owners of MOFA and Minitüb/MTI are members of the same family.
- 12. For more than twenty-six (26) years, MOFA and Minitüb GmbH peacefully coexisted and served separate geographic markets.
- 13. During that time, MOFA has primarily operated in the North American market: Canada, the United States of America and Mexico.
- 14. Minitüb and later MTI, have primarily operated in Germany and other countries within the European Union.
- 15. MOFA and Minitüb/MTI have collaborated extensively over the years with manufacturing efforts, innovation and sales of animal reproduction technology products and research.
- 16. However, they never entered into any formal agreements or business relationship and have always existed as separate business entities.
- 17. MOFA and Minitüb/MTI have however, on two separate occasions, entered into discussions to potentially merge their companies. Those discussions were unsuccessful.
- 18. As a result, MOFA and Minitüb/MTI have operated and continue to operate independently in their distinct markets without any formal written coexistence or other agreements.
 - 19. In 2013, Minitüb/MTI partnered with Reproduction Provisions to enter the United

States market for animal reproduction technology, and began using MOFA's intellectual property without authorization or permission.

B. MOFA Intellectual Property at Issue.

- 20. In 1998, MOFA filed a patent application for its Boar Semen Collection Bag, known and marketed as the "US BAG." U.S. Patent Number 5,961, 503 ("'503 Patent") issued on October 5, 1999 for the same. A true and correct copy of the '503 Patent is attached as **Exhibit A.**
- 21. MOFA has exclusive rights in and to the '503 Patent. A true and correct copy of the '503 Patent Assignment documentation is attached as **Exhibit B.**
- 22. MOFA manufactures its patented US BAG product and sells it throughout the United States:

23. MOFA also owns valuable federal and common law rights in the trademarks it uses in the United States, including (without limitation):

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a. MINITUBE, U.S. Reg. No. 2,038,251;



U.S. Reg. No. 2,051,949;



c.

U.S. Reg. No. 2,096,385;

- d. AUTOMATE, U.S. Reg. No. 3,250,053
- e. ANDROHEP, U.S. Reg. No. 2,033,439;
- f. US BAG, U.S. Serial No. 85/954,645;
- g. ANDROSTAR, U.S. Serial No. 85/944,848

(collectively "MOFA Trademarks"). A true and correct copy of the registration certificates and/or U.S. trademark applications for the listed MOFA Trademarks is attached as **Exhibit C.**

C. Minitüb/MTI's Recent Activities in the United States

- 24. On May 31, 2013, Minitüb/MTI issued a press release announcing the appointment of Reproduction Provisions as their exclusive distributor for all products and services in the United States and Canada as of January 6, 2013. A true and correct copy of the press release is attached as **Exhibit D.**
- 25. Reproduction Provisions issued a similar press release on May 30, 2013, announcing that it is the exclusive distributor in the USA and Canada for MTI's animal artificial insemination and embryo transfer equipment and supplies. A true and correct copy of the press release is attached as **Exhibit E.**
- 26. On June 5-7, 2013, MTI and Reproduction Provisions attended the World Pork Expo in Des Moines, Iowa ("Expo") as vendors.



27. At the Expo, MTI and Reproduction Provisions announced their new relationship and began selling and/or offering products for sale, including the following "US Bag" product:





D. Prior Relationship with Reproduction Provisions and Its Owners

- 28. Reproduction Provisions and its owners, Richard and Debra Schoenbeck, previously operated their business under the names ITSI, LLC, ITSI Provisions, LLC and Prairie Provisions.
- 29. In 1999, without the permission from MOFA, the Schoenbecks and Prairie Provisions began manufacturing, offering for sale and selling products that infringed upon one or more claims of the '503 Patent.
- 30. On November 29, 1999, MOFA filed a patent infringement lawsuit against Prairie Provisions in the United States District Court for the Western District of Wisconsin. *See* Case #: 3:00-cv-00749-bbc.
- 31. That litigation resulted in Prairie Provision's admission of infringement and a consent decree, which was entered on May 10, 2000. A true and correct copy of the consent decree is attached as **Exhibit F.**

E. Related Intellectual Property Actions

- 32. On February 1, 1999, Minitüb GmbH filed a U.S. trademark application for the ANDROSTAR trademark based on its foreign trademark application under Section 44(e) of the Lanham Act, 15 U.S.C. § 1126(e), and based on an intent-to-use the mark in the United States.
- 33. On October 2, 2001, the ANDROSTAR trademark obtained federal registration, U.S. Reg. No. 2,493,812. A true and correct copy of the registration certificate for the ANDROSTAR Trademark is attached as **Exhibit G.**
- 34. While use in the United States is not required to obtain federal registration under Section 44(e) of the Lanham Act, use is required to maintain the registration. In 2007 and 2011, Minitüb filed renewal documentation, including signed declarations of use of the ANDROSTAR trademark in the United States.
 - 35. On information and belief, those signed declarations were false.
- 36. On May 29, 2013, MOFA filed a Petition to Cancel the ANDROSTAR trademark application with the U.S. Trademark Trial and Appeal Board, Cancellation No. 92057567.
- 37. MOFA's Petition to Cancel the ANDROSTAR trademark application is based on fraud, abandonment/non-use and likelihood of consumer confusion. A true and correct copy of the Petition to Cancel is attached as **Exhibit H.**

COUNT I – PATENT INFRINGEMENT

- 38. MOFA incorporates by reference the allegations set forth in paragraphs 1-37 of this Complaint as though fully set forth herein.
- 39. Defendants have infringed and continue to infringe the '503 Patent by making, using, selling and offering to sell and importing their infringing US Bag product.
 - 40. By making, using, selling and offering to sell and importing infringing products,

Defendants have infringed the '503 Patent directly, contributorily and/or through inducement. The defendants have engaged in the foregoing conduct in the United States without authority from Plaintiff and during the term of the '503 Patent.

- 41. Defendants are willfully and intentionally infringing upon the '503 Patent.
- 42. Upon information and belief, Defendants will continue to infringe the '503 Patent unless and until enjoined by the Court.
- 43. Defendant's infringing conduct has caused and will continue to cause damage to MOFA, and is causing irreparable harm to MOFA for which there is no adequate remedy at law.

COUNT II - FALSE PATENT MARKING

- 44. MOFA incorporates by reference the allegations set forth in paragraphs 1-43 of this Complaint as though fully set forth herein.
- 45. Defendants have affixed MOFA's '503 Patent number to their infringing US Bag product.



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- 46. On information and belief, Defendants have marked their product with the '503 Patent number with the intent of counterfeiting or imitating the mark of MOFA, and/or with the intent of deceiving the public and inducing them to believe that the product was made, offered for sale, sold, or imported into the United States by or with the consent of MOFA.
- 47. On information and belief, MOFA has suffered a competitive injury as a result of Defendants' false marking.
- 48. MOFA is therefore entitled to recover damages for Defendants' false marking in an amount to be determined at trial.

COUNT III - TRADEMARK INFRINGEMENT

- 49. MOFA incorporates by reference the allegations set forth in paragraphs 1-48 of this Complaint as though fully set forth herein.
- 50. Without authorization, Defendants have used trademarks that are the same or substantially similar to the MOFA Trademarks on products that are the same or substantially similar to MOFA's products.
- 51. Defendants' unauthorized use of the MOFA Trademarks on its products and marketing materials in the United States constitutes infringement of MOFA's registered and common law trademark rights in its MOFA Trademarks.
- 52. Defendants' unauthorized use of the MOFA Trademarks in connection with identical or nearly identical goods is likely to cause confusion, mistake and deception of the public as to the identity and origin of Defendants' and MOFA's goods.
- 53. On information and belief, the Defendants are intentionally and willfully infringing upon the MOFA Trademarks.
 - 54. Defendants' infringing conduct has caused and will continue to cause damage to

MOFA, and is causing irreparable harm to MOFA for which there is no adequate remedy at law.

COUNT IV - FALSE ADVERTISING UNDER THE LANHAM ACT

- 55. MOFA incorporates by reference the allegations set forth in paragraphs 1-54 of this Complaint as though fully set forth herein.
- 56. Defendants have manufactured and offered for sale products which perform similar functions and look substantially the same as MOFA products.
- 57. Defendants have used the unregistered MOFA Trademarks, such as US BAG and ANDROSTAR, in a manner that causes deception and confusion in the marketplace.
- 58. On information and belief, Defendants are also making false claims that their products including those that infringe the '503 Patent are superior to the MOFA products.
- 59. On information and belief, Defendants are also falsely claiming that customers cannot purchase MOFA products because MOFA is not authorized to sell in the United States.
- 60. The unauthorized use of MOFA Trademarks, as well as the false and misleading statements and actions have been made in interstate commerce, have deceived and have the capacity to deceive a substantial segment of customers, and are likely to influence purchasing decisions.
- 61. The actions of Defendants constitute unfair competition and false advertising in violation of 15 U.S.C. § 1125(a).
- 62. Defendants' unfair competition and false advertising has caused and will continue to cause substantial harm to MOFA.
- 63. Defendants' actions have caused and will continue to cause MOFA to be irreparably harmed for which there is no adequate remedy at law.

COUNT V – FRAUDULENT REPRESENTATIONS UNDER WIS. STAT. § 100.18

- 64. MOFA incorporates by reference the allegations set forth in paragraphs 1 63 of this Complaint as though fully set forth herein.
- 65. Defendants, in the course of engaging in the development, manufacture, promotion and sale of their US Bag and other artificial insemination products, have made unfair, untrue, deceptive and misleading statements to the public with the intent to sell their infringing products in violation of Wis. Stat. § 100.18.
- 66. Unless Defendants are enjoined by this Court from continuing their unfair competition and unfair trade practices, MOFA will continue to suffer irreparable harm and impairment of the value of its patent rights, trademark rights, and commercial products.
- 67. As a result of Defendants' continuing activities in violation of the common law of the State of Wisconsin and/or under Wis. Stats. § 100.18, MOFA has suffered and will continue to suffer damages.
- 68. MOFA is entitled to a permanent injunction prohibiting Defendants from manufacturing, marketing, selling, using, importing, exporting and/or distributing its products in connection with the MOFA Trademarks, and also to an award of damages, enhanced/punitive damages and attorneys' fees under Wis. Stats. § 100.18.

COUNT VI - COMMON LAW UNFAIR COMPETITION

- 69. MOFA realleges the allegations contained in paragraph 1 through 68 as if fully set forth herein.
- 70. The acts of Defendants complained of herein constitute unfair competition under Wisconsin law.
 - 71. As a result of these actions, MOFA has been damaged in an amount to be

determined at trial.

DAMAGES & INJUNCTIVE RELIEF

- 72. As a result of Defendants' actions, MOFA has suffered actual and consequential damages and Defendants have improperly profited from their unlawful actions.
- 73. MOFA seeks recovery of monetary damages, including damages for lost profits, unjust enrichment and benefits received by Defendants as a result of their actions.
- 74. MOFA seeks enhanced and punitive damages due to the intentional, willful, malicious and outrageous nature of Defendants' conduct.
- 75. MOFA seeks recovery of its attorneys' fees due to the willful and intentional nature of Defendants' violations of State and Federal law.
- 76. To the fullest extent permitted under equity and law, MOFA also seeks permanent injunctive relief enjoining Defendants from continuing their unlawful, unfair and infringing practices.

JURY DEMAND

77. MOFA hereby demands trial by jury of all claims pursuant to Fed. R. Civ. P. 38.

PRAYER FOR RELIEF

MOFA asks that the Defendants be required to appear, answer and stand trial, and for the Court to enter judgment as follows:

- A. An order pursuant to 15 U.S.C. § 1118 to deliver up for destruction all containers, labels, signs, prints, packages, wrappers, advertising, promotional materials or the like in the possession of Defendants and their distributors bearing any kind of indicia in violation of 15 U.S.C. §§ 1114 and/or 1125.
- B. Actual and statutory damages as allowed by applicable law.

- C. Costs and attorneys' fees as allowed by applicable law.
- D. Exemplary and punitive damages as allowed by applicable law.
- E. Permanent injunctive relief.
- F. Prejudgment and post-judgment interest as allowed by applicable law.
- G. Any other remedy to which MOFA may be entitled under law and equity.

Dated: June 14, 2013 Respectfully Submitted,

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