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5 ATTORNEY FOR PLAINTIFF
SOLO INDUSTRIES, INC.
6

7 UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
8

9	SOLO INDUSTRIES, INC,)	No.
)	
10	Plaintiff,)	COMPLAINT FOR:
)	
11	vs.)	1. PATENT INFRINGEMENT
)	
12	AMM INDUSTRIES, INC. doing business as)	2. TRADEMARK INFRINGEMENT, FALSE
	HEADSHOPSTOP and Craig Cory, individually)	ADVERTISING, AND UNFAIR BUSINESS
13)	PRACTICES
)	
14	Defendants.)	3. COUNTERFEITING
)	
15)	4. COPYRIGHT INFRINGEMENT

16 Plaintiff Solo Industries, Inc. ("SOLO") submits this Complaint for Patent Infringement,
17 Trademark Infringement, False Advertising, Unfair Business Practices, and Counterfeiting
18 against defendants AMM Industries, Inc. doing business as Headshopstop and Craig Cory
19 (collectively, "Defendants") as follows:

20 **INTRODUCTION**

21 1. This action seeks damages for patent infringement, trademark infringement, false
22 advertising, unfair business practices, and product counterfeiting relating the unauthorized sale
23 of a self-lighting integrated smoking device sold under the trademark SOLOPIPE. The claims are
24 made against AMM Industries, Inc. doing business as Headshopstop and Craig Cory as an
25 officer, director, and/or member of AMM Industries, Inc.
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1 2. Solopipe, a self-lighting integrated smoking device, is a novel invention
2 conceived in California and marketed internationally. The Solopipe combines the functionality of
3 a lighter with a pipe. When the Solopipe was released it was well received by the consuming
4 public and had significant sales.

5 3. Solopipe has had commercial success both in the United States and
6 internationally. SOLO owns patents and trademarks protecting the valuable intellectual property
7 associated with the Solopipe.

8 4. Despite an array of intellectual property rights protecting the Solopipe,
9 Defendants have engaged in significant counterfeiting. Defendants' counterfeit Solopipes
10 deceive consumers into believing the product that they purchased is an authorized product. The
11 consumers falsely believe, when purchasing Defendants counterfeit Solopipe, that they will
12 receive all of the benefits of a legitimate product.

13 **PARTIES**

14 5. SOLO is a corporation duly organized and operating under the laws of the State of
15 California with its principal place of business located in the County of Los Angeles, State of
16 California.

17 6. Upon information and belief, Defendant AMM Industries, Inc. is a New York
18 corporation which has its principal place of business in Huntington Station, NY. On information
19 and belief, AMM Industries, Inc. is doing business as Headshopstop and is engaged in the
20 business of importing, distributing, offering to sell, and selling products through its online retail
21 website over the internet throughout the United States and the World.

22 7. Upon information and belief, Defendant Craig Cory is an individual residing in
23 New York. Upon information and belief, Mr. Craig is President of defendant AMM Industries,
24 Inc.

1 16. As a result of its efforts, SOLO is the owner of U.S. Design Patent Registration
2 No. D577,150 (the “D’150 Patent) for an “Integrated Smoking Implement” issued on September
3 16, 2008. *See* copy of the D’150 Patent attached as Exhibit A.

4 17. SOLO is the owner of U.S. Utility Patent Registration No. 7,905,236 (the “’236
5 Patent) for an “Integrated Smoking Device” issued on March 15, 2011. *See* copy of the ‘236
6 Patent attached as Exhibit B.

7 18. SOLO is the owner of U.S. Utility Patent Registration No. 7,753,055 (the “’055
8 Patent) for an “Integrated Smoking Device” issued on July 13, 2010. *See* copy of the ‘055 Patent
9 attached as Exhibit C.

10 19. In addition, SOLO filed a trademark application with the USPTO on May 24,
11 2007 which resulted in SOLO receiving a Trademark Registration No. 3,375,493 for the mark
12 SOLOPIPE (the “SOLOPIPE Mark”) on January 29, 2008. *See* copy of the U.S. Certificate of
13 Registration for the mark SOLOPIPE attached as Exhibit D.

14 20. SOLO also owns California Trademark Registration No. 112969 for the mark
15 SOLOPIPE. *See* copy of the California Certificate of Registration for the mark SOLOPIPE
16 attached as Exhibit E.

17 21. SOLO’s Solopipe is manufactured by a licensed manufacturer and sold to
18 licensed wholesalers and retailers across the United States and the world.

19 22. SOLO only licenses one manufacturer to produce its Solopipes.

20 23. SOLO only allows its licensees to sell the Solopipe to retailers or consumers.

21 24. Since 2007, SOLO has continuously used its SOLOPIPE Mark to identify its
22 patented Solopipes from the self-lighting pipes of others.

23 25. SOLO undertakes significant efforts, and expends considerable sums each year, to
24 ensure that its Solopipes cannot be purchased through any wholesaler or retailer that is not
25 controlled or licensed by SOLO.
26

1 26. At no time has SOLO licensed or otherwise authorized Defendants to
2 manufacture or sell its Solopipes or related products.

3 27. Upon information and belief, Defendants have been importing, offering to sell,
4 selling, distributing and causing to be manufactured self-lighting integrated smoking devices that
5 copy SOLO's technology and innovative style contained in SOLO's D'150 Patent.

6 28. Upon information and belief, Defendants have been importing, offering to sell,
7 selling, distributing and causing to be manufactured self-lighting integrated smoking devices that
8 copy SOLO's technology contained in SOLO's '236 Patent.

9 29. Upon information and belief, Defendants have been importing, offering to sell,
10 selling, distributing and causing to be manufactured self-lighting integrated smoking devices that
11 copy SOLO's technology contained in SOLO's '055 Patent.

12 30. Upon information and belief, Defendant AMM Industries, Inc. has been
13 importing, offering to sell, selling, distributing and causing to be manufactured self-lighting
14 integrated smoking devices that copy SOLO's technology and innovative style contained in
15 SOLO's D' 150, '236, and '055 Patents at the direction and control of Craig Cory.

16 31. Upon information and belief, Defendants have been manufacturing, selling,
17 offering for sale, marketing, promoting, and advertising self-lighting integrated smoking devices
18 to individuals and retailers across the nation that infringe upon SOLO's U.S. Trademark
19 Registration No. 3, 375,493, the SOLOPIPE MARK.

20 32. Upon information and belief, Defendants have been manufacturing, selling,
21 offering for sale, marketing, promoting, and advertising self-lighting integrated smoking devices
22 to individuals and retailers across the nation that use exact copies of the SOLOPIPE Mark.

23 33. Upon information and belief, Defendants had both actual and constructive
24 knowledge of SOLO's ownership of and rights in the SOLOPIPE Mark.
25
26

1 34. Defendants adopted and used in commerce SOLO's SOLOPIPE Mark, and marks
2 confusingly similar to SOLO's SOLOPIPE Mark, with full knowledge that their infringing use of
3 SOLO's SOLOPIPE Mark was intended to cause confusion, mistake and deception among
4 consumers.

5 35. Defendants offer their goods and services incorporating the infringing marks in
6 the same channels of trade as those which SOLO offers its legitimate goods and services.

7 36. Consumers seeking SOLO's legitimate goods and services are likely to be
8 confused and deceived or mistake Defendants' infringing goods and services as being affiliated,
9 connected, or associated with SOLO.

10 37. Upon information and belief, Defendant AMM Industries, Inc. has been
11 manufacturing, selling, offering for sale, marketing, promoting, and advertising self-lighting
12 integrated smoking devices incorporating the SOLOPIPE Mark at the direction and control of
13 Craig Cory.

14 38. SOLO contacted Defendants requesting an accounting of their purchase, sale, and
15 inventory of self-lighting integrated smoking devices.

16 39. SOLO contacted Defendants requesting the identity of the supplier, if Defendants
17 are not manufacturing, of their infringing self-lighting integrated smoking devices.

18 40. As of the time of this filing, Defendants have refused to provide an accounting.

19 41. As of the time of this filing, Defendants have refused to identify the supplier, if
20 Defendants are not manufacturing, of their infringing and counterfeit self-lighting integrated
21 smoking devices.

22 42. Defendants have no legitimate, lawful reason to refuse to identify the supplier of
23 the infringing and counterfeit products.
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COUNT I
PATENT INFRINGEMENT
(Infringement of the D' 150 Patent)

43. SOLO repeats and re-alleges the allegations of paragraphs 1 through 42, as though fully set forth herein.

44. Upon information and belief, Defendants have infringed and continue to infringe, directly and indirectly through contributory and/or induced infringement, one or more claims of the D' 150 Patent by manufacturing, using, selling, offering to sell in the United States its self-lighting integrated smoking device. Defendants' activities violate 35 U.S.C. § 271.

45. Upon information and belief, Defendants' infringement of the D'150 Patent has been and continues to be intentional, willful, and without regard to SOLO's rights. Upon information and belief, SOLO, on that basis, alleges that Defendants' infringement of the D' 150 Patent is and has been intentional, deliberate, and willful.

46. Defendants, including Craig Cory, had actual knowledge of the patent infringement by Defendants or was willfully negligent to the same. Defendant Craig Cory directed and materially profited from Defendants' infringing activity. As such, Defendant Craig Cory is jointly and severally liable for the infringing activity.

47. Upon information and belief, SOLO, on that basis, alleges that Defendants' have gained profits by virtue of its infringement of the D' 150 Patent.

48. Defendants' sale of these counterfeit and infringing products increased the maintenance and support costs, damaging SOLO.

49. As a direct and proximate result of Defendants' importing, offering to sell, selling, distributing and causing to be manufactured self-lighting integrated smoking devices that infringe SOLO's D' 150 Patent, SOLO has suffered financial injury to its business, reputation, and goodwill. As a result, SOLO has been and will continue to be deprived of revenues and profits it otherwise would make and has sustained a loss of goodwill.

1 57. Defendants' sale of these counterfeit and infringing products increased the
2 maintenance and support costs, damaging SOLO.

3 58. As a direct and proximate result of Defendants' importing, offering to sell,
4 selling, distributing and causing to be manufactured self-lighting integrated smoking devices that
5 infringe SOLO's '236 Patent, SOLO has suffered financial injury to its business, reputation, and
6 goodwill. As a result, SOLO has been and will continue to be deprived of revenues and profits it
7 otherwise would make and has sustained a loss of goodwill.

8 59. SOLO has not yet calculated the precise extent of its past and future damages and
9 cannot now estimate with precision the further damages which continue to accrue; such damages
10 are to be fully determined.

11 60. SOLO will continue to suffer irreparable harm from Defendants' continued
12 infringement of the '236 Patent. SOLO has no adequate remedy at law and is entitled to an
13 injunction against Defendants continuing infringement of the '236 Patent. Unless enjoined,
14 Defendants will continue to infringe its product.

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16 **COUNT III**
17 **PATENT INFRINGEMENT**
18 **(Infringement of the '055 Patent)**

19 61. SOLO repeats and re-alleges the allegations of paragraphs 1 through 60, as
20 though fully set forth herein.

21 62. Upon information and belief, Defendants have infringed and continue to infringe,
22 directly and indirectly through contributory and/or induced infringement, one or more claims of
23 the '055 Patent by manufacturing, using, selling, offering to sell in the United States its self-
lighting integrated smoking device. Defendants' activities violate 35 U.S.C. § 271.

24 63. Upon information and belief, Defendants' infringement of the '055 Patent has
25 been and continues to be intentional, willful, and without regard to SOLO's rights. Upon
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1 information and belief, SOLO, on that basis, alleges that Defendants' infringement of the '055
2 Patent is and has been intentional, deliberate, and willful.

3 64. Defendants, including Craig Cory, had actual knowledge of the patent
4 infringement by Defendants or was willfully negligent to the same. Defendant Craig Cory
5 directed and materially profited from Defendants' infringing activity. As such, Defendant Craig
6 Cory is jointly and severally liable for the infringing activity.

7 65. Upon information and belief, SOLO, on that basis, alleges that Defendants' have
8 gained profits by virtue of its infringement of the '055 Patent.

9 66. Defendants' sale of these counterfeit and infringing products increased the
10 maintenance and support costs, damaging SOLO.

11 67. As a direct and proximate result of Defendants' importing, offering to sell,
12 selling, distributing and causing to be manufactured self-lighting integrated smoking devices that
13 infringe SOLO's '055 Patent, SOLO has suffered financial injury to its business, reputation, and
14 goodwill. As a result, SOLO has been and will continue to be deprived of revenues and profits it
15 otherwise would make and has sustained a loss of goodwill.

16 68. SOLO has not yet calculated the precise extent of its past and future damages and
17 cannot now estimate with precision the further damages which continue to accrue; such damages
18 are to be fully determined.

19 69. SOLO will continue to suffer irreparable harm from Defendants' continued
20 infringement of the '055 Patent. SOLO has no adequate remedy at law and is entitled to an
21 injunction against Defendants continuing infringement of the '055 Patent. Unless enjoined,
22 Defendants will continue to infringe its product.

23 **COUNT IV**
24 **TRADEMARK INFRINGEMENT and UNFAIR BUSINESS PRACTICES**

25 70. SOLO repeats and re-alleges the allegations of paragraphs 1 through 69, as
26 though fully set forth herein.

1 71. SOLO owns U.S. and California trademark registrations for the mark SOLOPIPE.

2 72. SOLO also has common law trademark rights in the SOLOPIPE Mark.

3 73. SOLO has placed the SOLOPIPE Mark on its self-lighting integrated smoking
4 device in such a manner that the consuming public associates the word “SOLOPIPE” with a
5 unique, self-lighting integrated smoking device. The SOLOPIPE Mark is further stamped on the
6 housing of the lighter, screen printed on the sales case, and prominently depicted on the
7 www.solopipe.com website.

8 74. SOLO has used its federally and state registered SOLOPIPE Mark in commerce
9 in connection with its goods and services including its self-lighting smoking device.

10 75. Upon information and belief, Defendants have adopted and continue to use in
11 commerce SOLO’s federal and state registered SOLOPIPE Mark and marks confusingly similar
12 to the SOLOPIPE Mark with knowledge of SOLO’s superior rights, and with full knowledge that
13 their infringing use of SOLO’s SOLOPIPE Mark was intended to cause confusion, mistake, and
14 deception among consumers.

15 76. None of the Defendants’ have sought or obtained a license from SOLO to use the
16 SOLOPIPE Mark for use on any products or for use in selling, offering for sell, advertising, or
17 marketing any product.

18 77. Defendants’ infringing use of SOLO’s SOLOPIPE Mark is likely to cause and has
19 caused consumer confusion, deception, and mistake as to the source, affiliation, connection, and
20 sponsorship of the infringing products.

21 78. Defendants’ actions constitute knowing, deliberate, and willful infringement of
22 SOLO’s federally and state registered trademarks. The knowing and intentional nature of the acts
23 set forth above renders this an exceptional case under 15 U.S.C. § 1117(a).

24 79. Defendants have repeatedly refused to provide the name and contact information
25 of the supplier, if a supplier exists, who sold Defendants the infringing self-lighting integrated
26

1 smoking devices making it impossible for SOLO to stop infringing products from entering the
2 marketplace.

3 80. The trademark infringement and unfair business practices by Defendants and/or at
4 the direction of Craig Cory is causing consumer confusion about the source and sponsorship of
5 these counterfeit goods.

6 81. Defendants, including Craig Cory, had actual knowledge of the trademark
7 infringement and unfair business practices of Defendants or was willfully negligent to the same.
8 Defendant Craig Cory directed and materially profited from the activities of Defendants'
9 trademark infringement and unfair business practices. As such, Defendant Craig Cory is jointly
10 and severally liable for the trademark infringement and unfair business practices.

11 82. As a direct and proximate result of Defendants' importing, offering to sell,
12 selling, distributing and causing to be manufactured self-lighting integrated smoking devices that
13 infringe SOLO's federal and state trademarks, SOLO has suffered financial injury to its business,
14 reputation, and goodwill. As a result, SOLO has been and will continue to be deprived of
15 revenues and profits it otherwise would make and has sustained a loss of goodwill.

16 83. SOLO has not yet calculated the precise extent of its past and future damages and
17 cannot now estimate with precision the further damages which continue to accrue; such damages
18 are to be fully determined.

19 84. SOLO will continue to suffer irreparable harm from Defendants' continued
20 infringement of the SOLO's federal and state trademarks. SOLO has no adequate remedy at law
21 and is entitled to an injunction against Defendants continuing infringement of the '055 Patent.
22 Unless enjoined, Defendants will continue to infringe its product.
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**COUNT V
FALSE ADVERTISING**

85. SOLO repeats and re-alleges the allegations of paragraphs 1 through 84, as though fully set forth herein.

86. Defendants' unauthorized use of the SOLOPIPE Mark in connection with their websites and other printed advertisements constitutes false advertisement under both federal and state trademark laws.

87. Defendants' unauthorized use of the SOLOPIPE Mark in connection with their websites and other printed advertisements falsely represents Defendants as the source of legitimate self-lighting integrated smoking devices sold under the SOLOPIPE Mark.

88. The unauthorized use by Defendants and/or at the direction of Craig Cory falsely advertising Defendants as the source of legitimate SOLOPIPES has caused and will continue to cause SOLO irreparable harm.

89. Defendants, including Craig Cory, had actual knowledge of the false advertisements of Defendants or was willfully negligent to the same. Defendant Craig Cory directed and materially profited from the activities of Defendants' counterfeiting. As such, Defendant Craig Cory is jointly and severally liable for the counterfeiting.

90. As a direct and proximate result of Defendants' false advertising, SOLO has suffered financial injury to its business, reputation, and goodwill. As a result, SOLO has been and will continue to be deprived of revenues and profits it otherwise would make and has sustained a loss of goodwill.

91. SOLO has not yet calculated the precise extent of its past and future damages and cannot now estimate with precision the further damages which continue to accrue; such damages are to be fully determined.

1 92. SOLO will continue to suffer irreparable harm from Defendants' if Defendants
2 are allowed to continue to falsely advertise. SOLO has no adequate remedy at law and is entitled
3 to an injunction against Defendants continuing to falsely advertise using the SOLOPIPE Mark.
4 Unless enjoined, Defendants will continue to falsely advertise using the SOLOPIPE Mark.
5

6 **COUNT VI**
7 **UNFAIR TRADE PRACTICES**

8 93. SOLO repeats and re-alleges the allegations of paragraphs 1 through 92, as
9 though fully set forth herein.

10 94. Defendants and SOLO are competitors in the market for self-lighting integrated
11 smoking devices, making Defendants' sale of counterfeit products bearing the unauthorized
12 federal and state registered trademarks an unfair business practice.

13 95. The unfair trade practices by Defendants and/or at the direction of Craig Cory has
14 caused irreparable injury to SOLO.

15 96. Defendants, including Craig Cory, had actual knowledge of the business activities
16 of Defendants unfair competition or was willfully negligent to the same. Defendant Craig Cory
17 directed and materially profited from the activities of Defendants' unfair trade practices. As
18 such, Defendant Craig Cory is jointly and severally liable for the unfair trade practices.

19 97. As a direct and proximate result of Defendants' unfair business practices, SOLO
20 has suffered financial injury to its business, reputation, and goodwill. As a result, SOLO has
21 been and will continue to be deprived of revenues and profits it otherwise would make and has
22 sustained a loss of goodwill.

23 98. SOLO has not yet calculated the precise extent of its past and future damages and
24 cannot now estimate with precision the further damages which continue to accrue; such damages
25 are to be fully determined.
26

1 99. SOLO will continue to suffer irreparable harm from Defendants' unfair business
2 practices. SOLO has no adequate remedy at law and is entitled to an injunction against
3 Defendants preventing unfair business practices. Unless enjoined, Defendants will continue to
4 unfairly compete with SOLO.
5

6 **COUNT VII**
7 **COUNTERFEITING**

8 100. SOLO repeats and re-alleges the allegations of paragraphs 1 through 99, as
9 though fully set forth herein.

10 101. Counterfeiting has been recognized as a serious issue resulting in tremendous
11 losses to American businesses. To combat counterfeits, Congress passed the "Anticounterfeiting
12 Consumer Protection Act of 1996" ("ACPA").

13 102. California has a similar statute in Business and Professions Code § 14250.

14 103. The unauthorized use by Defendants and/or at the direction of Craig Cory of
15 counterfeit products that Defendants have sold, offered for sale, and distributed have caused and
16 is causing consumer confusion about the source and sponsorship of these counterfeit goods.

17 104. Defendants, including Craig Cory, had actual knowledge of the business activities
18 of Defendants including but not limited to the importation, sale, and distribution of counterfeit
19 goods, or was willfully negligent to the same. Defendant Craig Cory directed and materially
20 profited from the activities of Defendants' counterfeiting. As such, Defendant Craig Cory is
21 jointly and severally liable for the counterfeiting.

22 105. As a direct and proximate result of Defendants' counterfeiting, SOLO has
23 suffered financial injury to its business, reputation, and goodwill. As a result, SOLO has been
24 and will continue to be deprived of revenues and profits it otherwise would make and has
25 sustained a loss of goodwill.
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2. Defendants' profits, these profits being trebled under state law;
3. Attorney's fees; and
4. Costs of Suit.

D. With regard to all claims as presented by the Plaintiff as against the Defendants:

1. Equitable relief in the form of a temporary, preliminary, and permanent injunction against all Defendants from the importation, distribution, sale, and use of any product, advertisement, and/or website that bears the SOLOPIPE Mark and/or infringes any element of the SOLOPIPE patent;

2. Monetary relief that a jury may see to award.

3. Statutory Damages of no less than \$ 1, 000,000.00 per Defendant, including Craig Cory as an officer, director and/or member under the ACPA.

4. Confiscation of the domain name www.headshopstop.com.

For such other and further relief as the Court may deem just and proper

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2 DATED this 9th day of December, 2015.
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