

Jonathan Pearce, Cal Bar. No. 245,776
jpearce@socalip.com
Michael D. Harris, Cal. Bar No. 59,470
mharris@socalip.com
Brian S. Tamsut, Cal. Bar No. 322,780
btamsut@socalip.com
SoCAL IP LAW GROUP LLP
310 N. Westlake Blvd., Suite 120
Westlake Village, CA 91362-3788
Phone: (805) 230-1350 • Fax: (805) 230-1355

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA – WESTERN DIVISION**

Mosaic Brands, Inc.,
Plaintiff,
v.
The Ridge Wallet LLC,
Defendant.

The Ridge Wallet LLC
Counterclaimant,
v.
Mosaic Brands, Inc.,
Counter-defendant.

No. 2:20-cv-04556-AB-JC
Ridge's Answer and Affirmative Defenses
to Mosaic's Second Amended Complaint
and Counterclaim for Patent Infringement
Demand for Jury Trial
Judge: Birotte

Defendant The Ridge Wallet LLC (Ridge) submits this answer and affirmative defenses to the second amended complaint (SAC) of plaintiff Mosaic Brands, Inc. (Mosaic):

JURISDICTION AND VENUE

1. Ridge admits the allegation in paragraph 1.
2. Ridge admits the allegation in paragraph 2 it is subject to personal jurisdiction in this district and denies the remaining allegations.
3. Ridge admits the allegation in paragraph 3.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PARTIES

4. Ridge admits the allegation in paragraph 4.

5. Ridge admits the allegation in paragraph 5 except Ridge is a California limited liability company.

FIRST CLAIM FOR RELIEF

6. No response is required to paragraph 6.

7. Ridge admits the allegation of paragraph 7 that Exhibit A is a copy of the ‘616 patent. It has insufficient knowledge to admit or deny the remaining allegation and denies the allegations of that ground.

8. Ridge has insufficient knowledge to admit or deny the allegation of paragraph 8 and denies the allegations of that ground.

9. Ridge denies the allegation of paragraph 9.

10. Ridge denies the allegation of paragraph 10.

11. Ridge denies the allegation of paragraph 11.

12. Ridge denies the allegation of paragraph 12.

13. Ridge denies the allegation of paragraph 13.

14. Ridge denies the allegation of paragraph 14.

15. Ridge denies the allegation of paragraph 15.

16. Ridge denies the allegation of paragraph 16.

17. Ridge denies the allegation of paragraph 17.

18. Ridge denies the allegation of paragraph 18.

19. Ridge denies the allegation of paragraph 19.

20. Ridge denies the allegation of paragraph 20.

21. Ridge denies the allegation of paragraph 21.

22. Ridge denies the allegation of paragraph 22.

23. Ridge denies the allegation of paragraph 23.

24. Ridge denies the allegation of paragraph 24.

1 25. Ridge denies the allegation of paragraph 25.

2 26. Ridge denies the allegation of paragraph 26.

3 27. Ridge denies the allegation of paragraph 27.

4 28. Ridge denies the allegation of paragraph 28.

5 29. Ridge denies the allegation of paragraph 29.

6 30. Ridge denies the allegation of paragraph 30.

7 31. Ridge denies the allegation of paragraph 31.

8 32. Ridge denies the allegation of paragraph 32.

9 33. Ridge denies the allegation of paragraph 33.

10 **SECOND CLAIM FOR RELIEF**

11 34. Because of the Court's dismissal of the Second Claim for Relief (ECF 63),
12 no response is required to the paragraphs of the Second Claim for Relief.

13
14 **AFFIRMATIVE DEFENSES**

15 **FIRST AFFIRMATIVE DEFENSE (NO INFRINGEMENT)**

16 35. Ridge does not infringe the '616 patent.

17 **SECOND AFFIRMATIVE DEFENSE (PROSECUTION HISTORY ESTOPPEL)**

18 36. Prosecution history estoppel bars Mosaic from contending claim construc-
19 tions that could cause infringement under the doctrine of equivalents by Ridge of any
20 claim of the '616 patent.

21 **THIRD AFFIRMATIVE DEFENSE (PATENT INVALIDITY)**

22 37. On information and belief, the '616 patent is invalid under 35 U.S.C.
23 §§ 101, 102, 103, 112 and other sections of Title 35 United States Code.

24 **FOURTH AFFIRMATIVE DEFENSE (FAILURE TO JOIN AN INDISPENSABLE PARTY)**

25 38. Paragraphs 7 and 8 of the SAC alleges plaintiff Mosaic the exclusive li-
26 censee of the owner of the patent. The SAC next alleges inventor Scott Kaminski as-
27 signed the '616 patent to non-party Mosaic International LLC. That company
28

1 changed its name to LE Holdings LLC (Holdings). LE Holding was a California lim-
2 ited liability company.

3 39. The SAC alleges plaintiff Mosaic is the exclusive licensee, but the SAC
4 does not state Mosaic is the exclusive licensee of Holdings.

5 40. Holdings or another owner of the '616 patent whom Mosaic refuses to
6 name, is a "required party" under FED. R. CIV. P. 19.

7 41. Holdings and the other unnamed owner are subject to service of process
8 because Holdings is a California LLC and on information and belief, any other holder
9 of the '616 patent is a California corporation or LLC or has its principal place of busi-
10 ness in California. The joinder of either company will not deprive the court of sub-
11 ject-matter jurisdiction because the Court will have jurisdiction under 35 U.S.C.
12 § 1338(a).

13 42. In Holdings' or the other owner's absence, the Court cannot accord com-
14 plete relief among existing parties or that entity claims an interest relating to the sub-
15 ject of the action and is so situated that disposing of the action in the person's absence
16 may as a practical matter impair or impede its ability to protect the interest or leave
17 Ridge subject to a substantial risk of incurring double, multiple, or otherwise incon-
18 sistent obligations because of the interest.

19 **FIFTH AFFIRMATIVE DEFENSE (FAILURE TO MARK OR OTHERWISE GIVE NOTICE)**

20 43. Mosaic has not marked the patent number under 35 U.S.C. § 287 on wal-
21 lets it sold.

22 44. Any Mosaic claim to damages before Mosaic charged Ridge with infring-
23 ing the '616 patent is barred under 35 U.S.C. § 287.

24 **SIXTH AFFIRMATIVE DEFENSE (SIX YEAR BAR FOR PAST DAMAGES)**

25 45. Any damages for infringements over six years before Mosaic sued are
26 barred by 35 U.S.C. § 286.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SEVENTH AFFIRMATIVE DEFENSE (UNCLEAN HANDS)

46. Mosaic’s claims are barred by the doctrine of unclean hands.

EIGHTH AFFIRMATIVE DEFENSE (UNJUST ENRICHMENT)

47. Mosaic’s claims are barred by the doctrine of unjust enrichment.

NINTH AFFIRMATIVE DEFENSE (OFFSET)

48. On information and belief, Mosaic’s claims are wholly or partially barred by equitable or statutory set-off or offset.

TENTH AFFIRMATIVE DEFENSE (NO INJUNCTIVE RELIEF)

49. Mosaic is not entitled to injunctive relief. Any alleged injury to Mosaic is not immediate or irreparable, and Mosaic has an adequate remedy at law.

COUNTERCLAIM (INFRINGEMENT OF UNITED STATES PATENT NO. 10,791,808)

NATURE OF THE ACTION

50. This is an action for patent infringement arising under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

THE PARTIES

51. Counterclaimant Ridge is a California limited liability company having its principal place of business at 28632 Roadside Drive #265, Agoura Hills, CA 91301.

52. Upon information and belief, counter-defendant Mosaic is a Delaware corporation having its principal place of business in Alamo, California. Mosaic is plaintiff.

JURISDICTION AND VENUE

53. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1338(a).

54. By suing in this district, Mosaic waived challenges to personal jurisdiction and venue.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

FACTS

55. Ridge owns United States Patent No. 10,791,808 (the ‘808 patent), which issued October 6, 2020, through an assignment from inventor Daniel Kane.

56. At least since October 6, 2020, Mosaic has had made for it, imports, offers to sell and sells a wallet which it calls the Smart Wallet. The images to the right are images of the front and back of that wallet. Mosaic claims it has called this wallet the Storus Money Clip II.



57. Claim 1 of the ‘808 patent has the elements on the left in the chart below, and the Mosaic Smart Wallet has the elements.

The ‘808 Patent Claim	Storus Smart Money Clip II
1. A compact wallet, comprising:	
at least two rigid plates interposed to sandwich card-like contents there between, each rigid plate having a longitudinal extent;	<div><p>The accused wallet has two rigid plates (upper and lower as shown above), which sandwich cards there between. The rigid plates have a longitudinal extent (left to right and vice versa in the image above). The two plates also are shown to the right.</p></div>

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The '808 Patent Claim	Storus Smart Money Clip II
at least one encircling elastic band interposed with the at least two rigid plates along longitudinal extents thereof to bias them inwardly and securely hold the card-like contents while providing elastic volume there between for adding or removing contents;	<p>The elastic band is shown along the longitudinal extents of the two plates.</p>  <p>See the elastic band alone below.</p>  <p>The elastic band is interposed with the two rigid plates, which the image below shows at the top. How the band is interposed with the plates is visible to the right.</p>  <p>The elastic band “bias[es the plates] inwardly and securely hold the card-like contents while providing elastic volume there between for adding or removing contents.” The image above shows the cards held securely.</p>

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The '808 Patent Claim	Storus Smart Money Clip II
a channeling means configured to minimize the profile of the wallet and hold position of the at least one encircling plastic band with respect to each rigid plate while allowing freedom for the dynamic extension and contraction of the band over the entire running length thereof; and	<div></div> <p>A channel runs the length of the wallet in a longitudinal direction for both panels. See image to the right. Insofar a “channeling means” is a 35 U.S.C. § 112(f) element, the patent states, “In a preferred embodiment, the channeling means is a longitudinal groove in a first lamina of a laminate construction of each rigid plate.” The image shows the groove. The channel minimizes the profile by providing a groove into which the elastic band sits while the exterior plate fits over it. The channel allows for extension and contraction of the band over the entire running length of the plate as the elastic band expands and contracts.</p>

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The '808 Patent Claim	Storus Smart Money Clip II
an auxiliary feature removably attached to at least one of the at least two rigid plates, the auxiliary feature having a tang insertable into a recess formed inside the at least two rigid plates, the tang having a hook, the hook extending at an angle to the tang, the hook engaging an undercut of the recess to prevent inadvertent dislodgement of the auxiliary feature from the recess,	<div data-bbox="699 331 883 554"></div> <p data-bbox="906 346 1365 842">The clip is an auxiliary feature that is removably attached as shown to the left. The clip has a tang which appears closest to the camera and in the upper portion in the image above. The ends of the tang include hooks on both sides, appearing as inward projections extending at an angle to the tang and that engage an undercut of the recess. See the image above.</p> <p data-bbox="699 867 1357 1192">The counterpart undercuts may be seen on either side of the channel into which the elastic band fits in the uppermost portion of the image Right.</p> <p data-bbox="699 1215 1365 1360">The undercut on either side ensures that the tang cannot be inadvertently dislodged from the recess once the wallet is assembled.</p> <div data-bbox="1027 961 1352 1140"></div>
whereby, card-like contents may be carried with minimal silhouette on or with a person while allowing expandable capacity and ready access to individual contents from between the at least two rigid plates.	<div data-bbox="711 1377 1049 1514"></div> <p data-bbox="1084 1392 1373 1537">As this image shows, the wallet holds cards between the</p> <p data-bbox="699 1562 1357 1654">two plates using the elastic to expandable capacity between the two plates.</p>

58. Because the Mosaic Smart Wallet II has all the elements of claim 1 of the ‘808 patent, Mosaic infringes the patent.

59. Ridge has been damaged by the infringement in an unknown amount. The damages is increasing as the infringement continues.

REQUEST FOR RELIEF

Wherefore, Ridge respectfully requests the Court:

60. Find Ridge infringes no claims of the ‘616 patent.

61. Find the claims of the ‘616 patent invalid.

62. Find prosecution history estoppel bars Mosaic from contending claim constructions that could cause Ridge’s infringement under the doctrine of equivalents.

63. Find Mosaic failed to mark the ‘616 patent number on its products, which bars Mosaic from an award of damages before Mosaic charged Ridge in writing with infringing the ‘616 patent.

64. Award Mosaic no damages.

65. Award Mosaic no injunction or other equitable remedies.

66. Find Mosaic infringes Ridge’s ‘808 patent.

67. Award damages no less than a reasonable royalty for Mosaic’s infringement of the ‘808 patent.

68. Enter an injunction prohibiting Mosaic its websites, business, agents, servants, employees, and all other persons in privity or acting in concert with it are enjoined from further acts of infringement:

69. Find this an exceptional case and award Ridge’s reasonable attorney fees and costs.

70. Award Ridge such other and further relief as the Court deems just and proper.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

November 12, 2020

/s/ Jonathan Pearce
Jonathan Pearce
SoCal IP Law Group LLP
Attorneys for The Ridge Wallet LLC

Defendant Ridge demands a jury trial on those matters triable to a jury.

November 12, 2020

/s/ Jonathan Pearce
Jonathan Pearce
SoCal IP Law Group LLP
Attorneys for The Ridge Wallet LLC