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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

MOSAIC BRANDS, INC.,

Plaintiff,

v.

THE RIDGE WALLET LLC,

Defendant.

Case No. 2:20-cv-04556-AB (JCx)

**ORDER:
(1) GRANTING-IN-PART AND DENYING-IN-PART THE RIDGE WALLET LLC'S MOTION TO DISMISS SECOND AMENDED COMPLAINT, AND
(2) DENYING MOSAIC BRANDS, INC.'S MOTION FOR A PRELIMINARY INJUNCTION**

I. INTRODUCTION

Before the Court are two motions. First is Defendant The Ridge Wallet LLC's motion to dismiss Plaintiff Mosaic Brands, Inc.'s Second Amended Complaint. ("MTD," Dkt. No. 53-1.) Plaintiff filed an opposition ("MTD Opp'n," Dkt. No. 56, and Defendant filed a reply ("MTD Reply," Dkt. No. 59). Second is Plaintiff's renewed motion for a preliminary injunction. ("MPI," Dkt. No. 40.) Defendant filed an opposition ("MPI Opp'n," Dkt. No. 42), and Plaintiff filed a reply ("MPI Reply," Dkt. No. 46).

The Court deems the matters appropriate for decision without oral argument. Fed. R. Civ. P. 78; C.D. Cal. L.R. 7-15. The hearings set for October 30, 2020 and November 20, 2020 are hereby **VACATED**. For the reasons stated below, the Court

1 **GRANTS-IN-PART** and **DENIES-IN-PART** the motion to dismiss and **DENIES**
2 **AS MOOT** the motion for preliminary injunction.

3 **II. BACKGROUND**

4 The operative Second Amended Complaint (“SAC,” Dkt. No. 39) alleges as
5 follows: Plaintiff is the exclusive licensee of U.S. Patent No. 7,334,616, entitled
6 “Card-Holding and Money Clip Device” (the “’616 Patent”). (SAC ¶ 7; *see also id.*
7 Ex. A, Dkt. No. 39-1 (’616 Patent).) As relevant to this action, Claim 1 of the ’616
8 Patent pertains to:

9 A holder for securely and simultaneously retaining flexible articles and
10 rigid cards, said holder comprising: a) a nominally rectangular and
11 nominally flat planar first panel having interior and exterior surfaces, a lip
12 extending nominally around three edges of said first panel along said
13 interior surfaces, said lip being at right angles to the plane of said first
14 panel; b) a nominally rectangular and nominally flat planar second panel
15 having interior and exterior surfaces, a lip extending nominally around
16 three edges of said second panel along said interior surface and configured
17 to form a mirror image of said first panel, said second panel being adapted
18 to be attached to said first panel along said three edges to form an open-
19 ended enclosure of sufficient size to store said rigid cards within said
20 interior of said enclosure, said enclosure being nominally rectangular with
21 two longitudinal sides, an open end, and a closed end; c) a resilient article
22 retaining member having an attached end and a free end extending from
23 one end of said enclosure and over the exterior of said first panel, said free
24 end of said article retaining member being biased toward said exterior
25 surface of said first panel; wherein said first panel and said second panel
26 each has lips of varying thickness.

27 (*Id.* Ex. A, ’616 Patent at 5:12–33.) Plaintiff has created numerous original money clip
28 and wallet designs and products, one of which is the Storus Smart Money Clip II

1 (“SMCII”). (SAC ¶¶ 35–36; *see also id.* Ex. D, Dkt. No. 39-4 (presenting images and
2 descriptions of six of Plaintiff’s Storus-branded products).) It claims the nonfunctional
3 aspects of its various designs and products have become distinctive. (*Id.* ¶ 36.)

4 Defendant has made, used, offered for sale, sold, and imported products
5 covered by the claims of the ’616 Patent, including a product called The Ridge Wallet.
6 (*Id.* ¶¶ 11, 29; *see also id.* Exs. B–C, Dkt. Nos. 39-2 to -3 (images of Defendant’s The
7 Ridge Wallet Carbon Fiber 3K Money Clip product compared with Plaintiff’s
8 Storus-branded product and Claim 1 of the ’616 Patent).) Defendant also has actively
9 induced others to infringe the ’616 Patent. (*Id.* ¶¶ 28, 30.) Defendant’s products are
10 likely to cause and have caused confusion among consumers concerning whether the
11 products originated from, or whether they are licensed, authorized, or endorsed by,
12 Plaintiff. (*Id.* ¶ 40.) Defendant has received gains and Plaintiff has sustained losses as
13 a result of Defendant’s intentional infringement of Plaintiff’s patent and trade dress.
14 (*See id.* ¶¶ 31–33, 41–45.)

15 Plaintiff brings two claims: (1) patent infringement and (2) trade dress
16 infringement. (*Id.* ¶¶ 6–45.)

17 **III. LEGAL STANDARDS**

18 **A. Motion to Dismiss**

19 Federal Rule of Civil Procedure 8 requires a plaintiff to present a “short and
20 plain statement of the claim showing that the pleader is entitled to relief.” Fed. R. Civ.
21 P. 8(a)(2). Under Federal Rule of Civil Procedure 12(b)(6), a defendant may move to
22 dismiss a pleading for “failure to state a claim upon which relief can be granted.” Fed.
23 R. Civ. P. 12(b)(6).

24 To defeat a Rule 12(b)(6) motion to dismiss, the complaint must provide
25 enough factual detail to “give the defendant fair notice of what the . . . claim is and the
26 grounds upon which it rests.” *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555 (2007).
27 The complaint “must contain sufficient factual matter, accepted as true, to ‘state a
28 claim to relief that is plausible on its face.’” *Ashcroft v. Iqbal*, 556 U.S. 662, 678

1 (2009) (quoting *Twombly*, 550 U.S. at 570). A plaintiff’s “factual allegations must be
2 enough to raise a right to relief above the speculative level.” *Twombly*, 550 U.S. at
3 555. “The plausibility standard is not akin to a ‘probability requirement,’ but it asks
4 for more than a sheer possibility that a defendant has acted unlawfully.” *Id.* Labels,
5 conclusions, and “a formulaic recitation of the elements of a cause of action will not
6 do.” *Twombly*, 550 U.S. at 555.

7 A complaint may be dismissed under Rule 12(b)(6) for the lack of a cognizable
8 legal theory or the absence of sufficient facts alleged under a cognizable legal theory.
9 *Balistreri v. Pacifica Police Dep’t*, 901 F.2d 696, 699 (9th Cir. 1988). When ruling on
10 a Rule 12(b)(6) motion, “a judge must accept as true all of the factual allegations
11 contained in the complaint.” *Erickson v. Pardus*, 551 U.S. 89, 94 (2007). But a court
12 is “not bound to accept as true a legal conclusion couched as a factual allegation.”
13 *Iqbal*, 556 U.S. at 678 (2009) (internal quotation marks omitted).

14 A court generally may not consider materials other than facts alleged in the
15 complaint and documents that are made a part of the complaint. *Anderson v.*
16 *Angelone*, 86 F.3d 932, 934 (9th Cir. 1996). However, a court may consider materials
17 if (1) the authenticity of the materials is not disputed and (2) the plaintiff has alleged
18 the existence of the materials in the complaint or the complaint “necessarily relies” on
19 the materials. *Lee v. City of Los Angeles*, 250 F.3d 668, 688 (9th Cir. 2001) (citation
20 omitted). The court may also take judicial notice of matters of public record outside
21 the pleadings and consider them for purposes of the motion to dismiss. *Mir v. Little*
22 *Co. of Mary Hosp.*, 844 F.2d 646, 649 (9th Cir. 1988); *Lee*, 250 F.3d at 689–90.

23 **B. Motion for Preliminary Injunction**

24 A plaintiff seeking a preliminary injunction must demonstrate that: (1) it is
25 likely to succeed on the merits, (2) it is likely to suffer irreparable harm in the absence
26 of preliminary relief, (3) the balance of equities tips in its favor, and (4) the requested
27 injunction is in the public interest. *Winter v. Nat. Res. Def Council, Inc.*, 555 U.S. 7,
28 20 (2008).

1 “[I]f a plaintiff can only show that there are ‘serious questions going to the
2 merits’—a lesser showing than likelihood of success on the merits—then a
3 preliminary injunction may still issue if the ‘balance of hardships tips *sharply* in the
4 plaintiff’s favor,’ and the other two *Winter* factors are satisfied.” *Shell Offshore, Inc.*
5 *v. Greenpeace, Inc.*, 709 F.3d 1281, 1291 (9th Cir. 2013) (quoting *Alliance for Wild*
6 *Rockies v. Cottrell*, 632 F.3d 1127, 1135 (9th Cir. 2011)). A “serious question” is one
7 on which the movant “has a fair chance of success on the merits.” *Sierra On-Line, Inc.*
8 *v. Phoenix Software, Inc.*, 739 F.2d 1415, 1421 (9th Cir. 1984). The decision to grant
9 or deny a preliminary injunction is within the discretion of the district court. *Alliance*
10 *for Wild Rockies*, 632 F.3d at 1131.

11 **IV. DISCUSSION**

12 **A. Motion to Dismiss**

13 **1. The Court Admonishes Defendant for its Untimely Filing**

14 Plaintiff argues that the Court should strike and deny Defendant’s motion as
15 untimely under Federal Rule of Civil Procedure 15(a)(3). (MTD Opp’n at 2.) Rule
16 15(a)(3) states that “[u]nless the court orders otherwise, any required response to an
17 amended pleading must be made within the time remaining to respond to the original
18 pleading or within 14 days after service of the amended pleading, whichever is later.”
19 Defendant responds that the Court should excuse any lateness in filing the motion
20 given that its filing was originally timely, its failure to include the notice of motion
21 was inadvertent, and its refiling was immediate. (MTD Reply at 1–2.) Defendant also
22 argues that the Court should consider the motion “for the purpose of judicial
23 economy.” (*Id.*)

24 Plaintiff correctly notes that the Defendant’s motion to dismiss is untimely
25 under Federal Rule of Civil Procedure 15(a)(3). Again, the Court admonishes
26 Defendant for its failure to abide by the Court’s local rules, which is what led to
27 Defendant’s motion being untimely. Defendant filed this motion to dismiss before
28 filing a responsive pleading, however, even though the time to file either had elapsed.

1 “‘This circuit allows a motion under Rule 12(b) any time before the responsive
2 pleading is filed’ even if ‘the court's deadline for filing a timely answer had passed.’”
3 *Dart Express (SFO), Inc. v. Changzhou Nanxiashu Tool Co.*, No. C09-0730 BZ, 2009
4 WL 4051076, at *1 (N.D. Cal. Nov. 20, 2009) (quoting *Smith v. Wrigley*, 2008 WL
5 2225627 at *1 n.2 (E.D. Cal. 2008)). “[T]he ordinary penalty for a failure to timely
6 respond to a complaint or amended complaint is entry of default, which, given the
7 brevity of the delay here, was neither requested nor warranted.” *McDonald v.*
8 *IndyMac Mortg. Servs.*, No. C 12-4610 MMC, 2013 WL 2252105, at *1 n.1 (N.D.
9 Cal. May 22, 2013), on reconsideration, No. C 12-4610 MMC, 2013 WL 3491051
10 (N.D. Cal. July 11, 2013). The Court agrees that considering Defendant’s motion
11 promotes judicial economy and thus declines to strike Defendant’s motion. Any
12 further failures to comply with either the federal rules or the Court’s rules may result
13 in sanctions, including striking the filing.

14

15 **2. Plaintiff Adequately Plead Its Patent Infringement Claim**

16 Plaintiff claims direct infringement of the ’616 Patent. (*See* SAC ¶¶ 11, 29.) A
17 claim for direct patent infringement arises when a person, “without authority[,] makes,
18 uses, offers to sell, or sells any patented invention.” 35 U.S.C. § 271(a). To state a
19 claim for direct patent infringement, “[s]pecific facts are not necessary; the statement
20 need only give the defendant fair notice of what the . . . claim is and the ground upon
21 which it rests.” *Disc Disease Sols. Inc. v. VGH Sols., Inc.*, 888 F.3d 1256, 1260 (Fed.
22 Cir. 2018) (alteration in original) (quotation marks omitted) (quoting *Erickson*, 551
23 U.S. at 93). Nevertheless, “[a] court need not accept as true conclusory legal
24 allegations cast in the form of factual allegations.” *Apollo Fin., LLC v. Cisco Sys.,*
25 *Inc.*, 190 F. Supp. 3d 939, 942 (C.D. Cal. 2016) (alteration in original) (quoting
26 *Medsquire LLC v. Spring Med. Sys. Inc.*, No. 2:11-cv-04504-JHN-PLA, 2011 WL
27 4101093, at *2 (C.D. Cal. Aug. 31, 2011)). At the least, “the complaint must provide
28 factual content indicating that the accused product infringes each limitation of at least

1 one claim of the patent in suit.” *Pure Parlay, LLC v. Stadium Tech. Grp., Inc.*, No.
2 2:19-cv-00834-GMN-BNW, 2020 WL 569880, at *2 (D. Nev. Feb. 5, 2020); *accord*
3 *Novitaz, Inc. v. inMarket Media, LLC*, No. 16-cv-06795-EJD, 2017 WL 2311407, at
4 *3 (N.D. Cal. May 26, 2017) (“[A] complaint does not satisfy the standards of
5 *Twombly* and *Iqbal* where it does not at least contain factual allegations that the
6 accused product practices every element of at least one exemplary claim.”).

7 Defendant argues that the operative SAC’s infringement allegations regarding
8 several of the lip elements of Claim 1 of the ’616 Patent should be dismissed because
9 they are facially implausible. (MTD at 3–12.) Specifically, Defendant argues that the
10 accused products cannot plausibly infringe four elements of Claim 1 of the ’616
11 Patent: (b) “a lip extending nominally around three edges of said first panel along said
12 interior surfaces”; (e) “a lip extending nominally around three edges of said second
13 panel along said interior surface and configured to form a mirror image of said first
14 panel”; (f) “said second panel being adapted to be attached to said first panel along
15 said three edges to form an open-ended enclosure of sufficient size to store said rigid
16 cards within said interior of said enclosure”; and (j) “wherein said first panel and said
17 second panel each has lips of varying thickness.” (*Id.* at 4; *see also* SAC ¶ 10
18 (assigning letters to these elements of the ’616 Patent); SAC, Ex. C (claim chart).)

19 The operative SAC and claim chart identify as “lips” three unconnected “elastic
20 bands” joining the first and second rectangular panels on the exterior of three sides of
21 the panels. (SAC ¶¶ 14–16, 18, 20–21; *Id.* Ex. C at 1–4.) The operative SAC states
22 that these elastic bands “are functionally identical and equivalent to lips extending
23 nominally from the first panel.” (*Id.* ¶ 16; *see also id.* Ex. C at 3.) Similarly, the
24 operative SAC states that these same elastic bands “are functionally identical and
25 equivalent to lips extending nominally around three edges of the second panel.”
26 (*Id.* ¶ 21; *see also* Ex. C at 4.) According to the operative SAC, the “inner surface of
27 the elastic bands are perpendicular and adjacent with the inner surface of the first and
28 second panels.” (*Id.* ¶ 21; *see also id.* Ex. C at 4.) The operative SAC alleges that the

1 “orientation of the elastic bands create a mirror image” and that the elastic bands “are
2 mirrored to the attachment points on the first panel.” (*Id.* ¶¶ 18, 21; *see also id.* Ex. C
3 at 4.) Finally, the operative SAC states that the elastic bands have “varying thickness”
4 because the “rubber and latex cords which allow an elastic band to return to its
5 original shape are significantly thicker than the other threads used to make the band”
6 and because the bands are “stretched thin” when cards are inserted into the wallet
7 (*Id.* ¶ 26; *see also id.* Ex. C at 5–6.)

8 The Court finds that Plaintiff’s infringement allegations are facially plausible.
9 Regarding elements (b) and (e), Plaintiff has plausibly alleged that these elements are
10 met under the doctrine of equivalents. As Plaintiff emphasizes, “[i]nfringement under
11 the doctrine of equivalents requires the examination of many factual issues beyond the
12 pleadings, including expert opinion evidence, and is ‘an intensely factual inquiry.’”
13 (MTD Opp’n at 4 (quoting *Vehicular Techs. Corp. v. Titan Wheel Intern., Inc.*, 212
14 F.3d 1377, 1381 (Fed. Cir. 2000)).) To element (b), Plaintiff alleges that the elastic
15 band is equivalent to the “a lip extending nominally around three edges of said first
16 panel” and that this elastic band is “perpendicular and adjacent with the inner surface
17 of the first [panel].” (SAC ¶¶ 16, 21, 27; *see also id.* Ex. C at 3–4.) The second SAC
18 alleges that this same elastic band is equivalent to the “a lip extending nominally
19 around three edges of said second panel along said interior surface” and the
20 “orientation of the elastic bands create a mirror image” with the attachment points on
21 the first panel. (*Id.* ¶¶ 18, 21, 27; *see also id.* Ex. C at 3–4.) Further, an explicit
22 function-way-result analysis explains why the elastic bands are equivalent to elements
23 (b) and (e). (*See id.* ¶ 27.) These allegations plausibly show infringement under the
24 doctrine of equivalents for these elements.

25 Defendant argues that the Plaintiff “may not rely upon the doctrine of
26 equivalents to eliminate claim limitations.” (MTD at 11–12.) Citing *Asyst Techs. V.*
27 *Emtrak, Inc*, Defendant argues that one elastic band cannot be equivalent to two lips
28 because it would eliminate the requirement that there be a second lip. 402 F.3d 1188,

1 1195 (Fed. Cir. 2005) (MTD at 11–12.) The Court finds that this dispute is better
2 resolved following claim construction. Defendant’s arguments for why Plaintiff’s
3 function-way-result analysis is insufficient are also premature. (See MTD Reply at
4 5–6.)

5 Further, Defendant’s arguments regarding the remaining two elements both
6 involve claim construction disputes. Courts have frequently denied motions to
7 dismiss that require a court to resolve claim construction disputes.¹ See *Nalco Co. v.*
8 *Chem-Mod, LLC*, 883 F.3d 1337, 1349 (Fed. Cir. 2018) (finding a proposed claim
9 construction for a term to be a dispute “not suitable for resolution on a motion to
10 dismiss”); *Regents of Univ. of Michigan v. Leica Microsystems Inc.*, No. 19-CV-
11 07470-LHK, 2020 WL 2084891, at *7 (N.D. Cal. Apr. 30, 2020) (collecting cases).
12 For element (f), Defendant’s argument at least involves the proper construction of the
13 term “open-ended enclosure.” (MTD at 8; MTD Reply at 3–4 (“The Ridge wallet is
14 open. It forms no enclosure”)) Similarly, for element (j), Defendant’s argument
15 centers on the construction of the phrase “varying thickness.” (MTD at 8–9.) The
16 Court cannot say that Plaintiff’s infringement theories rest on implausible claim
17 construction positions.

18 The Court **DENIES** the motion to dismiss the first claim for relief.
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23 ¹ Defendant cites *Aatrix Software, Inc. v. Green Shades Software, Inc.* for the
24 proposition that “[f]or claim construction at the Rule 12(b)(6) stage, the court ‘must
25 proceed by adopting the non-moving party’s constructions, or the court must resolve
26 the disputes to whatever extent is needed . . . , which may well be less than a full,
27 formal claim construction.’” 882 F.3d 1121, 1125 (Fed. Cir. 2018). That case
28 involved a motion to dismiss for patent eligibility under 35 U.S.C. § 101, an issue of
law that may involve underlying factual disputes, while Defendant’s motion involves
non-infringement, a factual issue. Defendant has not cited a single case applying this
standard outside of the § 101 context.

1 **3. Plaintiff Did Not Adequately Plead Its Willful and Induced**
2 **Infringement Claims**

3 Plaintiff also presents a theory of induced and willful infringement. (*See* SAC
4 ¶¶ 28, 30–31.) Defendant argues that these theories “are bald legal conclusions
5 couched in fact.” (MTD at 12.) The Court agrees. “Allegations of knowledge and
6 continued infringement are generally insufficient to show that enhanced damages are
7 warranted.” *Altair Instruments, Inc. v. Walmart, Inc.*, No. 2:18-CV-09461-R-FFM,
8 2019 WL 7166060, at *2 (C.D. Cal. Sept. 25, 2019). The operative SAC’s conclusory
9 allegation that “[t]he acts of infringement asserted herein have been and continue to be
10 deliberate and willful, at least since Defendant first learned about the ‘616 patent’ is
11 insufficient to show that Defendant had knowledge of the ’616 Patent or that
12 Defendant’s conduct was egregious. The Court also finds that Plaintiff’s induced
13 infringement allegations are merely “a formulaic recitation of the elements” and do
14 not allege sufficient factual matter that, taken as true, support that the Plaintiff is
15 entitled to relief. (MTD at 12–13 (quoting *Moss v. U.S. Secret Serv.*, 572 F.3d 962,
16 969 (9th Cir. 2009).) *See N. Atl. Imports, LLC v. NexGrill Indus., Inc.*, No.
17 EDCV1901195ABFFMX, 2020 WL 1042209, at *3 (C.D. Cal. Jan. 23, 2020).

18 The Court **GRANTS** the motion as to Plaintiff’s willful and induced
19 infringement allegations. The Court follows the Ninth Circuit’s policy favoring
20 granting amendments with “extreme liberality,” however, and gives Plaintiff leave to
21 amend. *Desertrain v. City of Los Angeles*, 754 F.3d 1147, 1154 (9th Cir. 2014).

22
23 **3. Plaintiff Did Not Adequately Plead Its Trade Dress Infringement**
24 **Claim**

25 “A product’s ‘trade dress’ is its total image and overall appearance; it includes
26 ‘features such as size, shape, color, color combinations, texture, or graphics.’”
27 *Kendall-Jackson Winery, Ltd. v. E. & J. Gallo Winery*, 150 F.3d 1042, 1044 n.2
28 (9th Cir. 1998) (quoting *Vision Sports, Inc. v. Melville Corp.*, 888 F.2d 609, 613

1 (9th Cir. 1989)). To state a claim for trade dress infringement, a plaintiff must allege
2 facts showing that “(1) the trade dress is nonfunctional, (2) the trade dress has
3 acquired secondary meaning, and (3) there is a substantial likelihood of confusion
4 between the plaintiff’s and defendant’s products.” *Art Attacks Ink, LLC v. MGA*
5 *Entm’t, Inc.*, 581 F.3d 1138, 1145 (9th Cir. 2009).

6 Defendant first argues that the SAC fails to adequately identify Plaintiff’s trade
7 dress. (MTD at 13–17.) “A plaintiff should clearly articulate its claimed trade dress to
8 give a defendant sufficient notice.” *Sleep Sci. Partners v. Lieberman*, No. 09-4200
9 CW, 2010 WL 1881770, at *3 (N.D. Cal. May 10, 2010). Courts in this circuit
10 generally require a plaintiff to “allege[] a complete recitation of the concrete elements
11 of its alleged trade dress.” *Lepton Labs, LLC v. Walker*, 55 F. Supp. 3d 1230, 1240
12 (C.D. Cal. 2014). “Identifying the trade dress with particularity is important given the
13 general rule that ‘generic product designs are unprotectable even upon showing of a
14 secondary meaning.’” *SCG Characters LLC v. Telebrands Corp.*, No. CV 15-00374
15 DDP (AGRx), 2015 WL 4624200, at *7 (C.D. Cal. Aug. 3, 2015) (quoting *Walker &*
16 *Zanger, Inc. v. Paragon Indus., Inc.*, 549 F. Supp. 2d 1168, 1174 (N.D. Cal. 2007)).

17 Like its First Amended Complaint, Plaintiff broadly alleges that the
18 nonfunctional aspects of its “original designs and products” are distinctive. (SAC
19 ¶¶ 35–36; *see also* “FAC,” Dkt. No. 28, ¶¶ 18–19.) Unlike the FAC, which stated that
20 the “original designs and products” include “the designs and products” in images
21 attached, the operative SAC states that the “original designs and products” include “its
22 Smart Money Clip II design and product.” (*Id.*) Moreover, the operative SAC still
23 includes photos of five additional products, yet does not identify the trade dress for
24 these products. (*See* SAC Ex. D; FAC Ex. D, Dkt. 28-4.) Contrary to Plaintiff’s
25 assertion that it “specifically and explicitly limited its trade dress claim to the [SMCII]
26 trade dress,” the allegations in the SAC leave open the possibility of adding new trade
27 dress claims. (MTD Opp’n at 10.) Although Plaintiff identifies some design
28 characteristics of the SMCII (*id.* ¶ 36), the SAC still does not describe the elements of

1 the trade dress pertaining to the other five wallets identified, let alone the trade dress
2 of any other “original designs and products” Plaintiff asserts in this action. The images
3 and descriptions Plaintiff provides of some of its products are alone insufficient to put
4 Defendant on notice of the asserted trade dress for those products or any others. *See,*
5 *e.g., Washoutpan.com, LLC v. HD Supply Constr. Supply Ltd.*, No. 2:19-cv-00494-AB
6 (JEMx), 2019 WL 9050859, at *6 (C.D. Cal. Aug. 5, 2019) (rejecting argument that
7 attaching pictures of the trade dress suffices at the pleading stage); *Homeland*
8 *Housewares, LLC v. Euro-Pro Operating LLC*, No. CV14-03954 DDP (MANx), 2014
9 WL 6892141, at *3 (C.D. Cal. Nov. 5, 2014) (dismissing claim for failure to “clearly
10 articulate[] what comprises the[] claimed trade dress” where photograph and
11 description of claimed trade dress “d[id] not sufficiently identify the particular
12 elements” sought to be protected).

13 Further, the operative SAC fails to properly define the trade dress for its SMCII
14 design and product. In its description of the alleged trade dress elements of the SMCII
15 design and product, Plaintiff alleges “[f]or example, many of the design aspects of the
16 SMCII product are non-functional, including” (SAC ¶ 36.) Courts have often
17 dismissed trade dress claims for failing to provide a complete list of elements where
18 the list of alleged trade dress elements is preceded by a non-limiting qualifier.
19 *Sugarfina, Inc. v. Sweet Pete's LLC*, No. 17-cv-4456-RSWL-JEM, 2017 WL 4271133,
20 at *4 (C.D. Cal. Sept. 25, 2017) (dismissing trade dress claim for using phrase “may
21 include”); *Sleep Sci. Partners*, 2010 WL 1881770, at *3 (dismissing trade dress claim
22 for using phrase “including, but not limited to”). Use of the phrases “[f]or example”
23 and “including” shows that Plaintiff’s list is not complete. Given Plaintiff’s failure to
24 clearly identify the concrete elements of the trade dress sought to be asserted in this
25 action, the claim must be dismissed. *See Lepton Labs*, 55 F. Supp. 3d at 1240.

26 Defendant also argues that the Plaintiff “has failed to plead ownership of the
27 trade dress.” (MTD Opp’n at 22–23.) “To acquire ownership of a trademark it is not
28 enough to have invented the mark first or even to have registered it first; the party

1 claiming ownership must have been the first to actually use the mark in the sale of
2 goods or services.” *TSX Toys, Inc. v. 665, Inc.*, No. EDCV1402400RGKDTBX, 2015
3 WL 12746211, at *4 (C.D. Cal. Sept. 23, 2015) (quoting *Sengoku Works Ltd. v. RMC*
4 *Int’l, Ltd.*, 96 F.3d 1217, 1219 (9th Cir. 1996)). Here, Plaintiff has not alleged whether
5 it owns the trade dress, when it acquired the trade dress, when it first used the trade
6 dress, or how it acquired the trade dress. *See id.* (dismissing trade dress claim where
7 Plaintiff pled ownership, date of acquisition, and how it acquired the trade dress, but
8 not the date of first use).

9 Because Plaintiff has not adequately identified its trade dress and how it owns
10 the trade dress, the Court need not reach whether Plaintiff sufficiently pleaded the
11 elements of trade dress infringement.

12 The Court **GRANTS** the motion to dismiss the trade dress infringement claim.
13 In light of the Ninth Circuit policy favoring granting leave to amend, the Court will
14 give Plaintiff another opportunity to amend its claim. But the Court notes that it will
15 not grant any further motions to amend absent good cause.

16

17 **B. Motion for Preliminary Injunction**

18 Plaintiff moves for a preliminary injunction. (MPI at 1.) Plaintiff failed to
19 adequately plead its claim for relief for trade dress. Because the allegations regarding
20 Plaintiff’s trade dress claim were dismissed, the Court **DENIES AS MOOT** the
21 motion for a preliminary injunction regarding Plaintiff’s trade dress claim. Plaintiff’s
22 allegations regarding infringement of the ’616 Patent are not dismissed, however, and
23 the Court addresses Plaintiff’s request for preliminary injunction regarding these
24 allegations.

25 **1. Likelihood of Success on the Merits**

26 Because substantive matters of patent infringement are unique to patent law,
27 evaluating the likelihood of success in establishing infringement is governed by
28 Federal Circuit law. *Revision Military, Inc. v. Balboa Mfg. Co.*, 700 F.3d 524, 526

1 (Fed. Cir. 2012). “While the patentee has the right to seek preliminary relief for
2 infringement not yet proven, the patentee must nevertheless make a showing that a
3 reasonable likelihood exists that it will ultimately prevail in proving infringement.”
4 *Chemical Engineering Corp. v. Marlo, Inc.*, 754 F.2d 331, 334 (Fed. Cir. 1984). “[A]
5 high burden of factual proof must be carried by a plaintiff seeking a preliminary
6 injunction.” *Id.*

7 In determining whether a patentee has established a likelihood of success as to
8 infringement, the court must perform a claim-by-claim analysis to determine the
9 meaning and scope of each claim. *Amazon.com*, 239 F.3d at 1351 (quoting *Markman*
10 *v. Westview, Instruments, Inc.*, 52 F.3d 967, 996 n. 7, stating that “[a] claim must be
11 construed before determining its validity just as it is first construed before deciding
12 infringement”). The court has no obligation to construe claims “conclusively and
13 finally” during a preliminary injunction proceeding. *Sofamor Danek Group, Inc. v.*
14 *DePuy-Motech, Inc.*, 74 F.3d 1216, 1221 (Fed. Cir, 1996)(holding that “*Markman*
15 does not obligate the trial judge to conclusively interpret claims at an early stage in the
16 case”). Rather, the Federal Circuit has explained that the trial court may engage in a
17 “rolling claim construction” as the case proceeds:

18 District courts may engage in a rolling claim construction, in which the
19 court revisits and alters its interpretation of the claim terms as its
20 understanding of the technology evolves. *Sofamor Danek Group, Inc. v.*
21 *DePuy-Motech, Inc.*, 74 F.3d 1216, 1221, 37 USPQ 2d 1529, 1532 (Fed.
22 Cir. 1996). This is particularly true where issues involved are complex,
23 either due to file nature of the technology or because the meaning of the
24 claims is unclear from the intrinsic evidence. Indeed, these difficulties
25 may be even more acute in the preliminary injunction context than at
26 later stages in the litigation because ... motions for a preliminary
27 injunction may come for decision before significant discovery has
28 occurred. Hence, in reviewing a district court’s decision on a motion for a
preliminary injunction, we remain “mindful that all findings of fact and
conclusions of law at the preliminary injunction stage are subject to
change upon the ultimate trial on the merits.”

Jack Gultman, Inc. V. Kopykake Enterprises, Inc., 302 F.3d 1352, 1361 (Fed. Cir.

1 2002). Thus, the court’s claim constructions at the preliminary injunction stage are not
2 binding on the court at later stages in the case. *See Mueller Sports Medicine Inc. v.*
3 *Beveridge Marketing LLC*, 369 F. Supp, 2d 1028, 1034 (W.D. Wis. 2005).

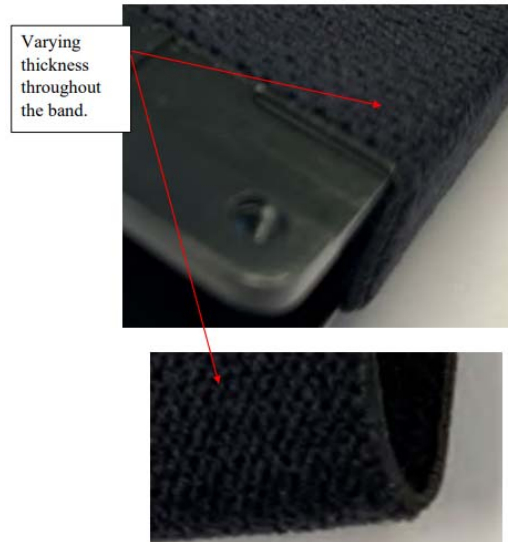
4 The Court finds that Plaintiff has not shown a likelihood of success on the
5 merits that the accused “Ridge Wallet” infringes Claim 1 of the ’616 Patent.
6 Specifically, Plaintiff has not shown that it is likely to succeed on at least its allegation
7 that the accused Ridge Wallets have “lips of varying thickness.” The ’616 Patent
8 states that the lips have “varying thickness defining the outer dimension of” the
9 card-holder assembly. ’616 Patent at 4:64–66. The specification further explains that
10 the exterior surface of these lips “are rounded to provide a smooth exterior surface,”
11 which “provide an esthetic appearance and a comfortable feel.” *Id.* at 4:66–5:4.
12 Claim 15 recites that these rounded edges “avoid[] snagging and tearing of
13 surrounding materials.” *Id.*, Claim 15. Accordingly, the specification and claim
14 language suggest that “varying thickness” refers to a structural feature that varies
15 along the length of the exterior of the lips.

16 The prosecution history also suggests that “varying thickness” refers to a
17 structural feature that varies along the length of the exterior of the lips. As Defendant
18 argues, the applicant of the ’616 Patent, the original patentee, added the limitation
19 “varying thickness” to Claim 1 to overcome a rejection based on 35 U.S.C. § 103.
20 (MPI Opp’n at 10; MPI Opp’n Ex. 6, Dkt. No. 42-7.) To overcome a 35 U.S.C. § 112,
21 ¶ 2 rejection regarding the term “varying thickness,” the applicant argued that the
22 outer dimension of the card-holder varied in thickness and was thicker in the center
23 than on the ends:

24 An inspection of Figs. 3 and 4 [of the ’616 Patent], clearly show that the
25 lips (30 and 32) do not have uniform thickness ... “[t]he perspective
26 figures show lips 30 and 32 have varying thickness defining the *outer*
27 *dimension* of the enclosure.” [(emphasis in original).] The patent
28 describes the “lip structures” as forming the outside of the structure and
that the lip structures are not “uniform” in thickness as they are thicker in
the center than on the ends.... Figs. 3 and 4 show this clearly.

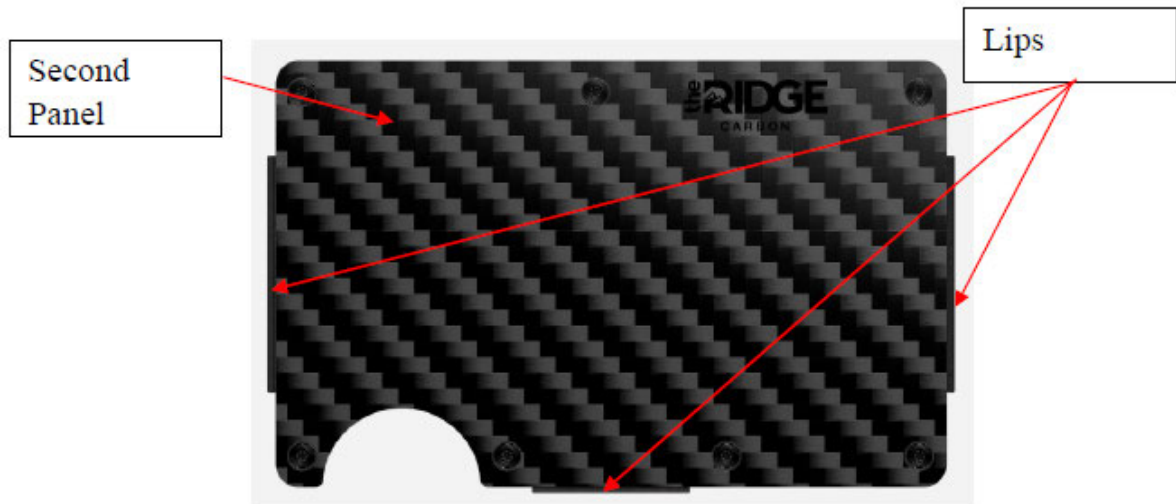
1 (MPI Opp'n Ex. 6 at 7–8; *see also* MPI Opp'n at 10.) Thus, the prosecution history
2 further supports this construction.

3 By contrast, the annotated photos taken from the claim chart, reproduced below,
4 appears to show that the elastic bands have a uniform thickness.



15 (SAC Ex. C at 6.) Plaintiff's argument that the "rubber and latex cords [of the elastic
16 bands] ... are significantly thicker than the other threads" does not match the meaning
17 of the phrase "varying thickness" as used in the '616 Patent. (MPI at 11.) Each thread
18 appears to maintain the same width across the length of the elastic band, and when
19 considering the threads together, the width of the bands stay the same.
20

1 Additionally, any difference in thickness appears to be negligible and does not
2 vary along the elastic bands as a whole, as evidenced by the annotated photo from the
3 claim chart (reproduced below):



14 (SAC Ex. C at 3.) As Defendant states in its motion to dismiss, “[i]f one were to use a
15 microscope to inspect any object, virtually every surface would have minute
16 differences simply by operation of physics.” (MTD at 9.) Plaintiff’s argument that the
17 elastic bands have “varying thickness” because they are “stretched thin” when more
18 cards are inserted into the wallet is also not persuasive as this is not a constant,
19 structural feature. Finally, if the precise width of the threads showed “varying
20 thickness,” then Plaintiff has not shown that the elastic bands “create a mirror image”
21 with the attachment points on the first panel because the width of the bands may vary
22 asymmetrically.

23 Because Plaintiff has not shown a likelihood of success on the merits, the Court
24 **DENIES** the motion for a preliminary injunction concerning infringement of the ’616
25 Patent.

26 **V. CONCLUSION**

27 For the reasons stated above, the Court **GRANTS-IN-PART** and **DENIES-IN-**
28 **PART** Defendant’s motion to dismiss, **DENIES AS MOOT** Plaintiff’s motion for a

1 preliminary injunction regarding Plaintiff's trade dress claims, and **DENIES**
2 Plaintiff's motion for preliminary injunction regarding Plaintiff's patent infringement
3 claims. Any amended complaint must be filed within fourteen (14) days of the date of
4 issuance of this order.

5 **IT IS SO ORDERED.**



7 Dated: October 29, 2020

8 HONORABLE ANDRÉ BIROTTE JR.
9 UNITED STATES DISTRICT COURT JUDGE