

CLIENT ALERT MAY 12, 2020

U.S. Insight: COVID-19 (Coronavirus) Intellectual Property Case Tracker (updated May 12, 2020)

In the wake of the COVID-19 pandemic, plaintiffs have begun and will continue to file intellectual property matters related to the pandemic. This case tracker provides updates regarding any significant intellectual property cases relating to COVID-19, including patent, trademark, and copyright infringement cases, as well as false advertising disputes.

Patent Infringement

1. Labrador Diagnostics LLC v. BioFire Diagnostics LLC and bioMérieux S.A., No. 20-cv-00348 (D. Del. Mar. 9, 2020):

On March 9, Labrador Diagnostics LLC ("Labrador"), owner of U.S. Patent Nos. 8,283,155 (the "'155 Patent") and 10,533,994 (the "'994 Patent"), sued BioFire Diagnostics LLC ("BioFire") and its parent company bioMérieux S.A., asserting claims for patent infringement in the United States District Court for the District of Delaware. (Dkt. No. 001.) Labrador seeks damages and permanent injunctive relief. (*Id.*)

The lawsuit focuses on activities by the defendants over the past six years that are not related to COVID-19 testing. (*Id.*) However, two days after being sued, on March 11, bioMérieux announced the forthcoming launch of three different tests "to address the COVID-19 epidemic and to meet the different needs of physicians and health authorities in the fight against this emerging infectious disease[,]" including a version it is building in collaboration with the Department of Defense. The technology embodied in the patents at issue would implicate these tests.

Once Labrador learned that bioMérieux was working on tests for COVID-19, it wrote to the defendants offering to grant them a royalty-free license for such tests. On March 17, 2020, Labrador also <u>announced</u> that it will offer royalty-free licenses to any third party to use its patented diagnostics technology for tests directed to COVID-19.



The matter has gained significant traction in the media, not only for its timing in the midst of a pandemic, but because of the history surrounding the ownership of the '155 and '994 Patents. The Patents were originally granted to Elizabeth Holms and the now defunct sham medical testing company Theranos. In 2018, the remnants of Theranos sold its patents, including the '155 and '994 Patents, to the Fortress Investment Group ("Fortress"), a SoftBank funded entity, referred to by some as a "patent troll" (a company that obtains the rights to one or more patents in order to profit by means of litigation, rather than by producing its own goods or services). Labrador, the current owner of the '155 and '994 Patents, was formed on March 6, 2020, shortly before the suit against bioMérieux was filed on March 9, 2020.

BioFire and bioMérieux's deadline to respond to the Complaint is June 30. (Dkt. No. 006.) There is speculation that defendants will assert counterclaims for patent invalidity, or that defendants will seek to invalidate the Patents before the U.S. Patent and Trademark Office.

2. Perimeter Brand Packaging, LLC v. Reckitt Benckiser, LLC, Reckitt Benckiser PLC, Reckitt Benckiser Group PLC, No. 20-cv-00623 (D. Del. May 8, 2020):

On May 8, 2020, Perimeter Brand Packaging LLC ("Perimeter"), owner of U.S. Patent Nos. 7,703,621 (the "621 Patent") and 8,297,461 (the "461 Patent"), sued Reckitt Benckiser, LLC, Reckitt Benckiser PLC and Reckitt Benckiser Group PLC (collectively, "Reckitt Benckiser"), asserting claims for patent infringement in the United States District Court for the District of Delaware. (Dkt. No. 001.) Perimeter seeks damages and permanent injunctive relief. (*Id.*)

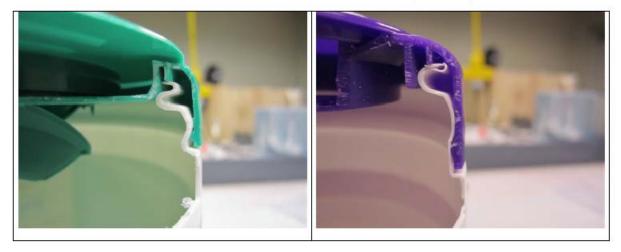
The Complaint alleges that the '621 and '461 Patents embody packaging technology that improved traditional moisture retention for packaging products "without resorting to expensive and/or unreliable seals." (Dkt. No. 001.) Perimeter and its predecessor Union Street Brand Packaging, LLC licensed this technology to Clorox between 2010 and 2015. (*Id.*) Perimeter now accuses Reckitt Benckiser, the producer of Lysol, of copying its patented inventions and of selling packaging designs that include "a closure and container with sealing features as claimed in the '621 patent and the '461 patent." (*Id.*). Excerpts from Perimeter's Exhibit 5 to the Complaint comparing "the licensed Clorox packaging and the unlicensed Lysol packaging" are below:



Case 1:20-cv-00623-UNA Document 1-5 Filed 05/08/20 Page 2 of 3 PageID #: 55



Case 1:20-cv-00623-UNA Document 1-5 Filed 05/08/20 Page 3 of 3 PageID #: 56





Although the Complaint does not expressly mention the COVID-19 pandemic, it does state that the advantages Reckitt Benckiser can obtain through its unauthorized use of the patented invention are in part due to the "substantial and growing" market for packaged moistened wipes. (*Id.*)

As of May 12, there is no indication on that docket that defendants have been served.

Trademark Infringement

After a public battle with the White House over the exporting of N95 respirators, 3M Company is attempting to stem price-gouging in conjunction with the sale of its respirators through a series of trademark infringement lawsuits. 3M has filed suits in New York, California, Florida, and Texas to protect its "3M" trademarks that defendants allegedly used in conjunction with their attempts to resell millions of N95 respirators to customers, including federal and state government agencies, at drastically inflated prices. 3M alleges that these actions resulted in unlawful price-gouging, fake offers, counterfeiting, and other unfair and deceptive practices.

In its Complaints, 3M explains that it has been assisting in the battle against COVID-19 by supplying healthcare workers and other responders with 3M-brand N-95 respirators without increasing prices after the COVID-19 outbreak. 3M alleges that defendants have sought to exploit the current public health emergency through a variety of price-gouging scams, while trading-off the fame of the 3M brand and marks. Specifically, 3M alleges that defendants used the 3M marks in formal quotes, technical specification sheets, and/or PowerPoint presentations, causing customers to mistakenly believe that defendants were authorized distributors of 3M's products and/or otherwise had an association or affiliation with 3M and its products. The lawsuits therefore seek, *inter alia*, to thwart any negative publicity and reputational damage caused by resellers' price-gouging for 3M's products.

The cases filed by 3M are listed below:

1. *3M Company v. Performance Supply, LLC*, No. 20-cv-02949 (S.D.N.Y. Apr. 10, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) deceptive acts and practices, false advertising, dilution, trademark infringement, and unfair competition/passing-off arising under New York statutory and common law. (Dkt. No. 001.) Defendant's deadline to respond to the Complaint is May 5. (Dkt. Nos. 018-019.)



On April 24, 3M filed an emergency motion for a temporary restraining order and preliminary injunction, seeking, *inter alia*, to enjoin Performance Supply from using the "3M" trademarks in conjunction with the manufacture, distribution, advertising, promoting, offering for sale, and/or sale of any goods or services, including, without limitation, 3M-brand N95 respirators. (Dkt. Nos. 012-016.)

On the same date, the Court granted 3M's application in its entirety and ordered the parties to appear for a Show Cause Hearing on May 4. (Dkt. No. 017.) On May 4, the Court granted 3M's application for a preliminary injunction in its entirety and enjoined defendants from using the "3M" marks and slogan. (Dkt. Nos. 022-023.)

2. 3M Company v. RX2Live, LLC, et al., No. 20-cv-00523 (E.D. Cal. Apr. 10, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) trademark infringement, trademark dilution, unfair competition, and false advertising arising under California statutory and common law. (Dkt. Nos. 001 and 008.)

On April 19, 3M amended its Complaint to add further allegations as to defendants' franchise network in 14 states and defendants' alleged cover-up scheme. (Dkt. No. 008.) Defendants' responses to the Amended Complaint are due May 15. (Dkt. No. 024.)

On April 27, 3M filed a motion for a temporary restraining order, seeking, *inter alia*, to prohibit defendants from using the "3M" trademarks in conjunction with the manufacture, distribution, advertising, promoting, offering for sale, and/or sale of any goods or services, including, without limitation, 3M-brand N95 respirators. (Dkt. No. 014.)

On April 30, the Court granted 3M's unopposed application in its entirety and ordered the parties to appear for a Show Cause Hearing on May 12. (Dkt. No. 018.)

On May 8, the Court so-ordered a stipulated Preliminary Injunction, enjoining defendants from, *inter alia*, a) "engaging in any false, misleading, and/or deceptive conduct in connection with 3M and its products[;]" b) falsely representing an association with 3M or its products, and c) falsely representing that 3M increased prices for N95 respirators. (Dkt. No. 023.) Defendants are required to file a written report detailing the steps take to comply with the Order by June 1, and thereafter on the first day of each quarter during the pendency of the action. (*Id.*)



3. 3M Company v. John Doe, claiming to be the "3M Company Trust Account," No. DC-20-05549 (Dallas County Tex. Apr. 10, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) dilution and injury to business reputation, trademark infringement, unfair competition, and passing-off arising under Texas statutory and common law.

As of May 12, there is no indication on that docket that any defendant has been identified or served. On May 4, the Court set a Notice of Initial Dismissal Hearing for June 11.

4. 3M Company v. Geftico, LLC, No. 20-cv-00648 (M.D. Fla. Apr. 14, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) trademark infringement, dilution, unfair competition, and unfair and deceptive trade practices arising under Florida statutory and common law. Geftico filed a motion to dismiss for failure to state a claim on May 8, seeking to dismiss all claims. (Dkt. No. 025).

On April 29, 3M filed a motion for a temporary restraining order, seeking, *inter alia*, to prohibit defendants from a) using the "3M" trademarks in commerce; b) holding itself to consumers and/or the public as an authorized distributor or vendor of 3M-brand products; c) falsely representing that 3M has increased the prices of 3M-brand N95 respirators as a result of the COVID-19 crisis or that 3M has required or authorized others to do so; and d) offering to sell any of 3M's products at a price or in a manner that would constitute a violation of Florida laws. (Dkt. Nos. 011-013.)

On April 30, the Court granted 3M's application for a temporary restraining order and deferred ruling on a preliminary injunction. (Dkt. No. 016.) On May 8, Geftico filed its Opposition to 3M's motion for a temporary restraining order and preliminary injunction, disputing 3M's factual assertions. (Dkt. Nos. 025-026.)

The parties are scheduled to appear for a preliminary injunction evidentiary hearing on May 15. (Dkt. Nos. 017, 022.)



5. 3M Company v. Hulomil, LLC, No. 20-cv-00394 (W.D. Wisc. Apr. 28, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) trademark infringement, unfair competition, price-gouging, false advertising, deceptive advertising, and misappropriation arising under Wisconsin statutory and common law. Defendant's response to the Complaint is due May 20. (Dkt. No. 009.)

On May 4, 3M filed a motion for a temporary restraining order and preliminary injunction, seeking, *inter alia*, to prohibit defendants from using the "3M" trademarks in conjunction with the manufacture, distribution, advertising, promoting, offering for sale, and/or sale of any goods or services, including, without limitation, 3M-brand N95 respirators. (Dkt. Nos. 010-011.)

Defendant's response to the motion is due on May 18. (Dkt. No. 017.) Upon receipt of defendant's response, the Court will set a Zoom hearing, if necessary. (Dkt. No. 015.)

6. 3M Company v. 1 Ignite Capital, LLC a/k/a 1 Ignite Capital Partners, Institutional Financial Sales LLC and Auta Lopes, No. 20-cv-00225 (N.D. Fla. Apr. 30, 2020):

Asserting claims for: a) unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) unfair and deceptive trade practices arising under Florida statutory law.

On May 6, 3M filed a motion for a temporary restraining order, seeking, *inter alia*, to prohibit defendants from a) using the "3M" trademarks in commerce; b) holding itself to consumers and/or the public as an authorized distributor or vendor of 3M-brand products; and c) offering to sell any of 3M's products at a price or in a manner that would constitute a violation of Florida laws. (Dkt. Nos. 007-009.)

After a telephonic hearing on May 7 (Dkt. Nos. 010-011), the Court denied 3M's temporary restraining order motion and deferred ruling on a preliminary injunction. (Dkt. Nos. 013-014.) The Court ordered the parties to confer on a preliminary injunction schedule and to file a report by May 15 indicating whether they have reached agreement. (Dkt. No. 014.) A telephonic status conference is set for May 18, which could be canceled if the parties agree a status conference is not necessary and the Court agrees. (*Id.*)



7. 3M Company v. TAC2 Global LLC, No. 20-cv-01003 (M.D. Fla. Apr. 30, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) trademark infringement, trademark dilution, unfair competition, and unfair and deceptive trade practices arising under Florida statutory and common law. Defendant's response to the Complaint is due May 27. (Dkt. No. 014.)

On May 6, 3M filed a motion for a temporary restraining order, seeking, *inter alia*, to prohibit defendants from a) using the "3M" trademarks in commerce; b) holding itself to consumers and/or the public as an authorized distributor or vendor of 3M-brand products; and c) falsely representing that 3M has increased the prices of 3M-brand N95 respirators as a result of the COVID-19 crisis or that 3M has required or authorized others to increase the prices of 3M-brand N95 respirators as a result of the COVID-19 crisis; and d) offering to sell any of 3M's products at a price or in a manner that would constitute a violation of Florida laws. (Dkt. Nos. 008-010.)

After a telephonic hearing on 3M's TRO motion on May 12, the Court issued a minute order granting in part and denying in part the motion. (Dkt. No. 023.) A written order will follow. (*Id.*) The Court set a hearing for June 3 to "discuss the preliminary injunction." (*Id.*)

8. *3M Company v. King Law Center, Chartered,* No. 20-cv-00760 (M.D. Fla. Apr. 30, 2020):

Asserting claims for: a) unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) unfair and deceptive trade practices arising under Florida statutory and common law.

As of May 12, there is no indication on that docket that King Law Center has been served.

9. 3M Company v. Zachary Puznak, Zenger LLC /d/b/a Zeroaqua, and John Doe 1 Through 10, No. 20-cv-01287 (S.D. Ind. Apr. 30, 2020):

Asserting claims for: a) trademark infringement, unfair competition, false association, false endorsement, false designation of origin, trademark dilution, and false advertising arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and b) trademark dilution, trademark infringement, deception, conversion, and theft under Indiana statutory law. Defendant Zenger's response to the Complaint is due May 25. (Dkt. No. 012.) Defendant Puznak's response to the Complaint is due July 6. (Dkt. No. 013.)



On May 11, 3M filed a motion for a temporary restraining order, seeking, *inter alia*, to prohibit defendants from using the "3M" trademarks in conjunction with the manufacture, distribution, advertising, promoting, offering for sale, and/or sale of any goods or services, including, without limitation, 3M-brand N95 respirators. (Dkt. Nos. 014-015.)

Copyright Infringement

Dunham v. Lei, et al., No. 20-cv-03716 (C.D. Cal. Apr. 23, 2020):

On April 23, 2020, Jeff Dunham, as an individual and in his capacity as the Trustee of the Jeff Dunham Trust Dated March 24, 2010, sued Ooshirts, Inc., d/b/a Teechip and Teechili ("Ooshirts"), Ooshirts' owner Raymond Lei, and various Does, in the United States District Court for the Central District of California asserting claims for: a) copyright infringement arising under the Copyright Act, 17 U.S.C. §§ 101 *et seq.*; b) trademark and trade dress infringement, counterfeiting, trademark and trade dress dilution, and false designation of origin arising under the Trademark Act, 15 U.S.C. §§ 1051 *et seq.*; and c) unfair competition, contributory copyright infringement, contributory trademark and trade dress infringement and counterfeiting, vicarious copyright infringement, vicarious trademark and trade dress infringement, and right of publicity misappropriation arising under California statutory and common law. (Dkt. No. 001.)

The suit specifically alleges that defendants Lei and ooShirts have advanced an "outrageous, blatant, and malicious campaign" to profit fraudulently off of the COVID-19 pandemic by misappropriating Dunham's intellectual property through their sale of counterfeit face masks, t-shirts, and other merchandise, which "clearly incorporate and exploit the world-famous ventriloquism characters" developed by Dunham. (*Id.*) Images from the Complaint of "one of Dunham's earliest, most beloved, and most well-known characters . . . Walter, a crotchety old man" and a "face mask[] that display[s] a counterfeited image of Walter wearing a blue hospital face mask" are below:





These characters are protected by registered copyrights and trademarks owned by plaintiff. (*Id.*) Dunham states that Lei and ooShirts have been fraudulently selling products featuring his trademarked and copyrighted characters for years, but their actions are now "particularly reprehensible" as they are attempting to profit off of the pandemic by putting his characters on "overpriced" face masks. (*Id.*) Dunham seeks compensatory, punitive, and statutory damages and permanent injunctive relief. (*Id.*)

Defendants' responses to the Complaint are due on July 6. (Dkt. Nos. 015-016.)

False Advertising/Consumer Protection

Following the COVID-19 outbreak, a group of class action lawsuits have been filed against manufacturers of hand sanitizers, including Purell (the largest U.S. manufacturer of hand sanitizer), Germ-X (the second largest U.S. manufacturer of hand sanitizer), and Target, challenging the manufacturers' alleged false advertising related to the effectiveness of the hand sanitizers.

The complaints all generally plead the same fact pattern:

Consumers purchased the respective hand sanitizers after relying on advertising claiming that the hand sanitizer protected against "99.99% of germs" and against certain diseases, such as the flu, norovirus, MRSA, Ebola, and/or coronavirus. Plaintiffs claim that, contrary to these statements, there is no evidence that the hand sanitizers prevent diseases or reduce illness. The Complaints specifically point to an <u>FDA letter</u> to Gojo Industries, Inc. (the manufacturer of Purell) dated January 17, 2020, warning Gojo against making unsubstantiated claims about the effectiveness of its products. Specifically, the FDA stated that it "is currently not aware of any adequate and well-



controlled studies demonstrating that killing or decreasing the number of bacteria or viruses on the skin by a certain magnitude produces a corresponding clinical reduction in infection or disease caused by such bacteria or virus." The FDA advised that Gojo should take prompt action to correct the violations in the letter. (The lawsuits against the other defendants claim that the FDA's statements apply equally to the other hand sanitizer manufacturers.) The Complaints allege that, had the consumers known that the products could not fight germs as advertised, they would not have purchased them.

The cases filed against hand sanitizer manufacturers are listed below:

1. Aleisa v. Gojo Industries, Inc., d/b/a/Purell, No. 20-cv-01045 (C.D. Cal. Jan. 31, 2020):

Asserting claims for: false advertising, unfair competition, negligent misrepresentation, and intentional misrepresentation arising under California statutory and common law. (Dkt. No. 001.)

Gojo's deadline to respond to the Complaint is May 22. (Dkt. No. 021.)

2. Gonzalez v. Gojo Industries, Inc., No. 20-cv-00888 (S.D.N.Y. Feb. 1, 2020):

Asserting claims for: a) consumer protection, negligent misrepresentation, fraud, and unjust enrichment arising under California statutory and common law; and b) breaches of express warranty and implied warranty of merchantability arising under New York statutory and common law and the Magnuson Moss Warranty-Federal Trade Commission Improvements Act, 15 U.S.C. §§ 2301 et seq. (Dkt. No. 001.)

Defendant's deadline to respond to the Complaint is June 23. (Dkt. No. 007.) Any motion to dismiss is due by June 23. (Dkt. No. 013.) Plaintiff's opposition is due July 23; defendant's reply is due August 12. (*Id.*) The Court also adjourned a May 14 initial pretrial conference. (*Id.*)

3. Jurkiewicz v. Gojo Industries Inc., et al., No. 20-cv-00279 (N.D. Ohio Feb. 9, 2020):

Asserting claims for violations of: consumer unfair trade practices, false advertising, and unfair competition arising under Ohio, Pennsylvania, and California statutory law. (Dkt. No. 001.)

The case was dismissed without prejudice on April 3, 2020. (Dkt. No. 010.)



4. David, et al., v. Vi-Jon, Inc. d/b/a Germ-X, No. 20-cv-00424 (S.D. Cal. Mar. 5, 2020):

Asserting claims for: consumer unfair trade practices, false advertising, unfair competition, negligent misrepresentation, and intentional misrepresentation arising under California statutory and common law. (Dkt. No. 001.)

The case was dismissed without prejudice on April 9, 2020. (Dkt. No. 003.)

5. *Miller, et al. v. Gojo Industries, Inc., d/b/a Purell*, No. 20-cv-00562 (N.D. Ohio Mar. 13, 2020):

Asserting claims for: unjust enrichment, consumer unfair trade practices, false advertising, unfair competition, and breach of express warranty arising under California, Massachusetts, Michigan, Ohio, and Oregon statutory and common law. (Dkt. No. 001.)

The case was dismissed without prejudice on April 16, 2020. (Dkt. No. 008.)

6. *Taslkian v. Target Corporation, et al.*, No. 20-cv-02667 (C.D. Cal. Mar. 20, 2020):

Asserting claims for: consumer unfair trade practices, false advertising, unfair competition, negligent misrepresentation, and intentional misrepresentation arising under California statutory and common law. (Dkt. No. 001.)

The case was dismissed without prejudice on May 4, 2020. (Dkt. No. 008.)



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Nicole M. Mazanitis
Partner
nmazanitis@curtis.com
New York: +1 212 696 6111



Abigail Johnston
Associate
ajohnston@curtis.com
New York: +1 212 696 6168