

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Richmond Division**

Maglula, Ltd.,
13 Gad Feinstein Street, Suite 236
Rehovot 76385, Israel,

Plaintiff,

V.

Amazon.com, Inc.,
410 Terry Avenue North
Seattle, WA 98109,

and

Amazon.com Services, Inc.,
410 Terry Avenue North
Seattle, WA 98109.

Defendants.

CIVIL ACTION NO.

COMPLAINT FOR TRADEMARK
COUNTERFEITING, TRADEMARK
INFRINGEMENT, COPYRIGHT
INFRINGEMENT, PATENT
INFRINGEMENT, AND UNFAIR
COMPETITION

JURY TRIAL DEMANDED

As its Complaint in this action, Plaintiff Maglula, Ltd. (“Maglula”), by its undersigned attorneys, alleges as follows, upon actual knowledge with respect to itself and its own acts, and upon information and belief as to all other matters.

NATURE OF THE CASE

1. This is an action for trademark counterfeiting, trademark infringement, copyright infringement, and unfair competition under federal, state, and/or common law arising from Defendants Amazon.com, Inc.’s and Amazon.com Services, Inc.’s (collectively, “Amazon”) unauthorized use of Maglula’s trademarks and copyrights in connection with the advertising, distributing, displaying, offering for sale, and/or selling of unlicensed, infringing, and/or

counterfeits of Maglula’s innovative loaders and unloaders (the “Accused Products”). Maglula also asserts U.S. Patent No. 7,503,138 (“the ’138 patent”) and U.S. Patent No. 7,637,048 (“the ’048 patent”) (collectively, “the Asserted Patents”) against Amazon for the unauthorized offering to sell, selling, and/or importing of the Accused Products covered by at least one claim of each of the Asserted Patents.

2. Amazon has become so overrun with counterfeit products—and its meager efforts to address this problem have been so ineffective—that counterfeit products are now leaving Amazon warehouses all over the United States at an alarming rate. Amazon knowingly sells such products, leaving U.S. consumers and intellectual property (“IP”) owners to suffer while Amazon profits handsomely, adding to its multibillion-dollar annual revenue and reported trillion-dollar valuation. Amazon’s ineffective processes to stop the sale of knock-off products do not apply to unregistered IP, such as trademarks protected by common law, and are easily circumvented by Amazon’s business partners. Making matters worse, IP owners who try to defend themselves and their valued customers utilizing Amazon’s procedures face lip service, long delays, growing frustration, and significant expense—all to virtually no avail.

3. Amazon’s proliferation of counterfeit products hurts more than just IP owners. It hurts customers duped out of their hard-earned money and exposes them to poor-quality and/or potentially dangerous knock-off products. Amazon’s conduct also hurts those retailers committed to selling genuine products—many of whom struggle to compete with Amazon’s size, scale, and pricing. Counterfeiting is a prolific problem with a widespread negative impact. Amazon, as the largest online seller, contributes immensely to this problem and must be part of the solution, for the sake of the IP owners, its customers, and the public at large.

4. Since 2016, Amazon has and continues to:

- a. Sell knock-off products (invoiced as “**Sold by: Amazon.com Services Inc.**”) that infringe Maglula’s patents, copyrights, and trademarks detailed below;
- b. Sell knock-off products that infringe Maglula’s patents, copyrights, and trademarks via **Amazon Renewed**;
- c. Sell knock-off products that infringe Maglula’s patents, copyrights, and trademarks via **Amazon Warehouse Deals**;
- d. Sell knock-off products that infringe Maglula’s patents, copyrights, and trademarks via **Amazon pallet liquidation**;
- e. Deceive customers as to the origin of Maglula’s products by selling Chinese-made knock-offs as “Made in Israel”;
- f. Sell knock-off products with Amazon labels reading “Made In China” (Amazon knows that genuine products are made in Israel);
- g. Fail to provide Maglula information needed to stop others from contributing to Amazon’s sales of knock-off products that infringe Maglula’s patents, copyrights, and trademarks;
- h. Ignore Maglula’s repeated requests to acknowledge its U.S. registered utility patents and common-law trademark rights to delist knock-offs;
- i. Ignore Maglula’s industry-known common law trademarks “Maglula” and “UpLULA”, when Maglula attempted to join Amazon’s “Brand Registry” and use this process to stop the sale of knock-off products that infringe Maglula’s patents, copyrights, and trademarks;

j. Ignore that genuine Maglula UpLULA[®] products come in distinctive packaging easily distinguishable from an array of different packaging used for various knock-offs; and

k. Ill-treat repeated IP infringement complaints by Maglula for three years.

5. To demonstrate just how ineffective Amazon is at stopping its sale of counterfeits, Amazon even sold a counterfeit of the Maglula UpLULA[®] product—clearly marked as “COUNTERFEIT”—and wrapped in an Amazon-branded plastic bag:





6. Since September 2016, Maglula has identified and collected eleven knock-off versions of its best-selling UpLULA® product—the genuine version of which is manufactured only in Israel. These knock-offs infringe Maglula’s IP in various ways. Five versions completely copy Maglula’s trademarks, copyrights, and patents (top row in the following photo).

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