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Optics Maker Burnt In Magnifying Glass IP Row Against Rival

By Sindhu Sundar

Law360, New York (March 25, 2013, 9:51 PM ET) -- Magnifying optics maker Carson Optical Inc. suffered a blow Monday when a New York magistrate judge rejected its unfair competition claims against rival Prym Consumer USA Inc. and a retailer who sold the Prym's magnifiers that Carson claimed infringed its design patents.

U.S. Magistrate Judge Arlene Lindsay granted motions for partial judgment on the pleadings by Prym and retailer Jo-Ann Stores Inc., finding that Carson's unfair competition claims were preempted by federal patent law, and ruling that the allegations did not adequately make claims for unfair competition outside of the patent infringement claims.

Carson, which has sold its consumer optics products, such as magnifying lenses, binoculars and riflescopes, to retailers including Jo-Ann Stores Inc., had brought claims for the infringement of four of its design patents, accusing the two of reproducing and selling knockoff versions of its magnifier products and pushing Carson out as a supplier to Jo-Ann, according to the order.

"The bare assertions that Prym intended to interfere with Carson's prospective business relationship with Jo-Ann by dishonest, unfair and improper means, and Prym engaged in a plan to displace Carson as a supplier to Jo-Ann by unfair means, are conclusory, fail to identify specifically the alleged wrongful conduct undertaken by defendants, and are insufficient to establish a claim of unfair competition under New York law," Judge Lindsay said in the order.

Attorneys for Carson and Prym could not immediately be reached for comment Monday.

Carson, which brought its suit against Prym in July 2011, had claimed that Prym had obtained a maker to copy certain Carson's products including its SureGrip and Clip & Flip magnifiers, allegedly conspiring with Jo-Ann Stores to do so, according to the order.

In their motions for judgment on the pleadings, Prym and Jo-Ann Stores sought to toss Carson's common law tort claims and trade dress infringement claim, the order said. Judge Lindsay also said Monday that Carson had failed to plead that that its Clip & Flip magnifier product was protected by a patent.

"Federal patent laws limit the states' ability to regulate unfair competition," Judge Lindsay said. "Consistent with the preemptive effect of federal patent law, the copying of a product that is not patented that exists in the public domain is not actionable."

The patents in suit are U.S. Patent Nos. D495,726 S, D563,779 S, D508,063 S, and D613,437 S.

Prym Consumer is represented by Celeste M. Butera, Michael C. Cannata, Stephen J. Smirti Jr. and John W. Egan of Rivkin Radler LLP.

Carson Optical is represented by John Louis Cordani and John Richard Horvack of Carmody & Terrance LLP.

The case is Carson Optical Inc. et al. v. Prym Consumer USA Inc., case number 2:11-cv-03677, in the U.S. District Court for the Eastern District of New York.

--Editing by Rebecca Flanagan.

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