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9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11 SANTA ANA DIVISION

12 SUREFIRE, LLC, a California limited
13 liability company,

14 Plaintiff,

15 v.

16 ADVANCED ARMAMENT CORP., a
17 Georgia corporation

18 Defendant.

19 Case No. SA CV08-1405 DOC(RNBx)

20 **REPLY MEMORANDUM OF POINTS
21 AND AUTHORITIES IN SUPPORT OF
22 SUREFIRE'S MOTION FOR
23 PRELIMINARY INJUNCTION**

24 Hon. David O. Carter

25 Hearing Date: March 23, 2009

26 Time: 8:30 a.m.

27 Courtroom: 9D

28 **I. INTRODUCTION**

29 AAC's central defense to SureFire's motion for preliminary injunction is that the
30 challenged advertisement is true. It is not. The evidence clearly establishes that the AAC
31 Advertisement is false and the factors that guide this Court in determining whether to
32 exercise its equitable power strongly favor issuance of a preliminary injunction.
33
34

II. ARGUMENT

A. SureFire is Likely to Succeed on the Merits of its False Advertising Claim

AAC’s opposition does not raise any significant defenses to the merits of Surefire’s false advertising claim.

1. The AAC Advertisement Contains Literally False Statements

AAC’s opening argument is that SureFire’s claim of literal falsity depends on the ability of consumers to identify the suppressor in the advertisement as a SureFire product. This argument is misplaced. The statements in the AAC Advertisement are literally false whether the suppressor is identifiable as a SureFire suppressor or not.

For example, the AAC Advertisement expressly asserts that the suppressor shown in the advertisement has a “SPOT-WELDED CORE,” then refers to the welds shown as “traditional spot welds.” These are factual statements that are literally false. As discussed in detail in the accompanying declaration of David Niebuhr, an independent expert in metallurgical engineering, a spot weld is a particular type of weld – specifically it is a weld formed to join two **overlapping** sheets of metal – and in a “traditional spot weld” this is done using a specific method called “resistance spot welding” or RSW. *Decl. of David Niebuhr in Support of Motion for Preliminary Injunction (“Niebuhr Decl.”)*, ¶¶4-5; *Supp. Decl. of Barry Dueck in Support of Motion for Preliminary Injunction (“Supp. Dueck Decl.”)*, ¶¶14-15. Newer techniques for making spot welds employ “metal inert gas” (“MIG”) welding or “tungsten inert gas” (“TIG”) welding to make a stronger “MIG spot weld” or “TIG spot weld,” but the common feature of all of these “spot welds” is that they are used to join overlapping sheets of metal. *Niebuhr Decl.*, ¶5. There is no credible evidence supporting AAC’s assertion that the term “spot weld” refers to any weld that is “in only one spot.” *See AAC Opp. Brief* at 10.

The SureFire suppressor shown in the advertisement uses “tack welds” to join **abutting** pieces of metal by means of a “TIG” welding process. *Niebuhr Decl.*, ¶¶7 & 11; *Dueck Decl.*, ¶16. This process creates a complete metallurgical fusion between the parts

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1 being joined, forming incredibly strong, precise welds that are perfectly suited to the
 2 SureFire suppressor design. *Id.*, ¶¶7, 11 & 13. The SureFire suppressor ***does not use spot***
 3 ***welds in any form.*** *Id.*, ¶11; *Dueck Decl.*, ¶15; *Supp. Dueck Decl.*, ¶14. Thus, AAC’s
 4 statement in its advertisement that the suppressor core shown on the left side of the
 5 advertisement is “SPOT-WELDED” is literally false, regardless of whether consumers
 6 know it is a SureFire suppressor or not.

7 There is also no evidence supporting the AAC Advertisement’s implied assertion
 8 that welds on the SureFire suppressor are not as strong as the welds on the AAC
 9 suppressor. AAC has never directly tested the strength of the welds – instead it relies
 10 exclusively on the “common sense” of Mr. Silvers and the use of circumferential welds on
 11 bridges, cars, and bicycle frames as evidence of their superior strength. *Silvers*
 12 *Declaration*, ¶18; *Supplemental Declaration of Jonathan Hangartner (“Supp. Hangartner*
 13 *Decl.”)*, Exh. A, *Silvers Deposition* at [142:25-146:10].¹

14 In fact, the strength of any weld is dependent on a variety of factors, including the
 15 materials being joined, the execution of the weld, the use of an appropriate filler, etc.
 16 *Niebuhr Decl.*, ¶12 & 13. A circumferential fusion weld like that used by AAC may suffer
 17 from a variety of flaws in design and/or implementation that render it weaker than the TIG
 18 tack welds used by SureFire. *Id.*

19 The implied assertion in the AAC Advertisement that AAC’s circumferential fusion
 20 welds cannot “fatigue, crack, and break under the high-stress environment of semi and
 21 full-auto firing” is also literally false. Any weld can break in such an environment, and
 22 circumferential fusion welds that do not use any filler such as those used by AAC may be
 23 more susceptible to fatigue, cracking, and breaking than the TIG tack welds used by
 24 SureFire. *Niebuhr*, ¶13.

25
 26
 27 ¹ Citations to the *Silvers Deposition* are presented as [page:line-page:line], where the
 28 page numbers are shown in the upper left corner of each page of the transcript, which is
 not yet formatted.

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1 Finally, the evidence establishes that suppressors like the SureFire suppressor
2 shown in the advertisement are at least as durable as the AAC suppressor shown. The
3 SureFire suppressor model shown in the advertisement has consistently withstood abusive
4 independent durability testing performed by U.S. military during competitive testing, with
5 no known failures in multiple tests in two different competitions. *Supp. Dueck Decl.*, ¶¶11
6 & 12. The AAC suppressor shown in the advertisement appears to have survived
7 durability testing in one of those two competitions, but was not part of the other test and
8 thus there is less data available for comparison. In addition, SureFire has sold well over
9 2,000 units of the suppressor shown in the AAC Advertisement, most to elite military and
10 law enforcement groups. Yet, after several years in the field, SureFire has not yet had a
11 single confirmed instance of a weld failure in this model.² *Id.*, ¶13.

12 Thus, the evidence clearly establishes that AAC’s express and implied statements in
13 the advertisement are literally false.

14 2. The Suppressor In the Advertisement Is Clearly Identifiable as a SureFire

15 The evidence also establishes that the suppressor shown in the advertisement is
16 likely to be recognized as a SureFire suppressor
17 by a substantial segment of the audience. First, as
18 shown in the image to the right, SureFire
19 suppressors have a consistent look that features a
20 distinctive weld line where the front plate is
21 joined to the outer tube of the suppressor, and a
22 uniquely shaped front plate with a tight radius
23 curve from the tube to the front plate and a 20-
24 degree sloping conical front surface. These design elements make a SureFire suppressor
25 immediately distinguishable from those of other companies. *Supp. Dueck Decl.*, ¶¶3 & 4.



26 _____
27 ² SureFire recently received a report of a weld failure in a unit sold commercially, but
28 it has not yet been able to examine the suppressor to evaluate this claim. *Supp. Dueck Decl.*, ¶13.

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1 AAC argues that consumers cannot recognize the SureFire suppressor core, and
2 would not recognize the outer tube because it looks like those of other unnamed
3 manufacturers. For evidence, AAC relies entirely on the declaration of Robert Silvers.
4 AAC’s first point regarding recognition of the suppressor core is completely irrelevant
5 because AAC elected to include the outer tube of the SureFire suppressor in the photo. If
6 consumers can recognize the outer tube, it does not matter whether they would recognize
7 the suppressor core without the outer tube.

8 AAC’s argument that there are other suppressors that look like SureFire’s outer tube
9 is not supported by any evidence. Mr. Silvers does not offer a single example of a similar
10 looking suppressor or even identify which manufacturers allegedly produce similar looking
11 suppressors. In fact, suppressors from companies that Mr. Silvers does mention elsewhere
12 in his declaration – like Gem-Tech and SRT – look nothing like SureFire suppressors.
13 *Supp. Dueck Decl.*, ¶¶6 & 7.

14 Mr. Silvers next points to two (2) postings from an online discussion forum about
15 suppressors where anonymous users stated that they “did not know” the photo was of a
16 SureFire suppressor. *Silvers Decl.*, ¶11, Exh. C. In discussing this “evidence,” Mr. Silvers
17 testified that he “monitors” this particular forum. Mr. Silvers, however, neglected to
18 inform the Court that he actually owns the website and forum where this online discussion
19 occurred, and controls the content that is displayed on it. *Supp. Hangartner Decl.*, Exh. A,
20 *Silvers Depo.* [24:25-25:19;133:14-134:18]. Mr. Silvers also neglected to inform the Court
21 that his Exhibit C contains only an excerpt of the discussion from that particular forum.
22 Mr. Silvers’ excerpt conveniently omitted postings from this same discussion in which
23 other users stated that they immediately recognized the suppressor as a SureFire. *Supp.*
24 *Hangartner Decl.*, ¶3, Exh. B.

25 For example, in response to the statement quoted by AAC indicating that the user
26 “Blaubart” did not know it was a SureFire suppressor, another participant called
27 “Conqueror” stated that: “I did, and I pointed it out as soon as AAC released that ad. No
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1 other well-known competing brand has that single weld ring near the muzzle end.” *Id.*
2 From his comments throughout the discussion, it is also clear that “Conqueror” is no friend
3 of SureFire. Another participant called “PPGMD” also stated that the suppressor shown in
4 the advertisement “is clearly a SureFire can, but I can only tell because of their crappy
5 welds, only Surefire cans have welds that bad.” *Id.* Again, this participant is clearly not
6 biased in favor of SureFire.

7 Other threads from his “SilencerTalk” discussion forum that Mr. Silvers elected not
8 to produce for the Court similarly contain statements from multiple users that immediately
9 recognized the suppressor as a SureFire. *See, e.g., Supp. Hangartner Decl., Exh. C,*
10 (including posting by “paco ramirez” stating that “its obvious what the other is”; posting
11 by “pneumagger” correctly identifying the suppressor as a “SF FA556x”).

12 SureFire is also hearing from its distributors as a result of the AAC Advertisement.
13 Just two days ago, Barry Dueck of SureFire was at a major trade show in Germany when
14 one of SureFire’s European military distributors took him aside and told him that
15 customers were suddenly raising concerns regarding the quality of SureFire suppressors,
16 and specifically the quality of the welds. SureFire has also heard from a domestic dealer
17 who had a customer come into his store and ask why his SureFire suppressor has inferior
18 spot welds. *Supp. Dueck Decl., ¶¶8 & 9.* This clearly indicates that consumers know that
19 that suppressor shown in the AAC Advertisement is a SureFire suppressor.

20 The reality is that AAC knew that consumers would recognize the un-named
21 “competitor brand” as SureFire. While the AAC Advertisement is ostensibly directed to
22 the welds on the suppressor core, AAC went to significant effort to put a SureFire outer
23 tube in the photograph. In fact, the outer tube used in the advertisement was cut away
24 from a different suppressor, then was taped in position for the photograph. *Id., ¶3.* AAC
25 selected this version of the advertisement with the outer tube on the core over an
26 alternative version that was nearly identical, except that it did not show the outer tube. *Id.*
27 Given the content and stated purpose of the advertisement – to highlight AAC’s new
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1 circumferentially welded core – the *only* plausible reason to include the outer tube in this
2 advertisement was so that consumers would recognize it as a SureFire suppressor.

3 The evidence clearly establishes that a substantial segment of the audience for
4 AAC’s advertisement recognized the suppressor as a SureFire suppressor.

5 **B. SureFire is Being Irreparably Harmed**

6 When an advertisement draws an explicit comparison between the competitor's
7 product and plaintiff's, irreparable injury is presumed because “[a] misleading comparison
8 to a specific competing product necessarily diminishes that product's value in the minds of
9 the consumer.” *Mutual Pharmaceutical Company v. Ivax Pharmaceuticals, Inc.*, 459 F.
10 Supp. 2d 925, 944 (C.D. Cal. 2006), *quoting McNeilab, Inc. v. American Home Products*
11 *Corp.*, 848 F.2d 34, 38 (2nd Cir. 1988). AAC’s argument that SureFire has failed to
12 establish irreparable harm because there is no “direct comparison” to SureFire ignores the
13 content of the advertisement. The AAC Advertisement is unquestionably a direct, side-by-
14 side comparison between the AAC suppressor shown on the right and the SureFire
15 suppressor shown on the left. While the advertisement does not expressly identify the
16 suppressor on the left as a SureFire suppressor, AAC included the distinctive SureFire
17 outer tube in the advertisement to insure that it was recognizable as a SureFire product.

18 This situation is not analogous to the *CKE Restaurant* case relied on by AAC. *CKE*
19 *Rest. Inc. v. Jack in the Box, Inc.*, 494 F. Supp. 2d 1139, 1145 (C.D. Cal. 2007). In *CKE*,
20 the advertisements in question poked fun at the term “Angus” beef, but never showed or
21 otherwise made reference to or direct comparison with the plaintiff’s products. There was
22 no evidence that the term “Angus” was exclusively associated with the plaintiff or its
23 products. Here, the AAC advertisement shows and makes direct comparison to a SureFire
24 suppressor, so irreparable harm is presumed.

25 AAC’s false statements are specifically designed to damage that hard-won
26 reputation by calling into question the quality of construction and durability of SureFire’s
27 suppressors. The recent contacts from distributors regarding customer concerns about the
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1 quality of SureFire’s welds clearly establish that SureFire’s reputation is being tarnished
2 by the advertisement. AAC’s efforts have been successful and SureFire is being
3 irreparably harmed.

4 **C. The Balance of the Hardships Favors Issuance of an Injunction**

5 AAC does not point to *any* evidence to support its claim that an injunction will
6 “deprive AAC of advertising and marketing its newly-improved silencer in the manner it
7 has deemed most effective.” *AAC Opp. Brief* at 15. An injunction would not prevent
8 AAC from advertising its “newly-improved” suppressors in any way, as long as the
9 advertisement is truthful. Moreover, it appears that AAC has already moved on and is
10 trying to capitalize on the notariety it has received in connection with the AAC
11 Advertisement by running a parody of its own advertisement that substitutes a fried potato
12 for the SureFire suppressor. Thus, it appears that AAC has made a business decision to
13 launch a new advertising campaign for this product.

14 **D. The Public Interest Favors Issuance of an Injunction**

15 The public’s interest in having “complete information about AAC’s new products”
16 will not be impacted by an injunction against an advertisement that falsely tarnishes an
17 AAC’s most significant competitor. There is simply no reliable evidence to assert the
18 “superior durability of the suppressors available from AAC.” *AAC Opp. Brief* at 16. AAC
19 can publish factually accurate advertisements that fairly educate consumers about its
20 products without misleading them about SureFire’s products.

21 **E. The Equities Favor Issuance of an Injunction, and an Award of Fees**

22 Finally, AAC dismisses in a footnote its clear breach of the agreement between
23 counsel that forestalled an earlier motion for preliminary injunction and allowed AAC to
24 re-publish the advertisement. *AAC Opp. Brief* at 4, n. 2. The communication between
25 counsel was crystal clear. AAC agreed not to run the advertisement “in the form attached
26 to your complaint” in any future publications. Moreover, SureFire believed that any
27 revised advertisement would be provided to it before it was published because AAC’s
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1 counsel said that “we should have [the revised advertisement] available for your review by
2 Tuesday, December 30, 2009.” Nothing conditioned this agreement to provide the revised
3 advertisement for review on a subsequent request by SureFire.

4 Moreover, the idea that the addition of an irrelevant caption under each image in the
5 AAC Advertisement would constitute a different “form” of the accused advertisement and
6 take it outside the agreement not to publish is – at the very least – a game of semantics.
7 The captions AAC added to the advertisement did nothing to address the false and
8 misleading character of the advertisement, and actually reinforce the false impression that
9 the SureFire suppressor shown in the advertisement failed during normal use. SureFire
10 essentially was played – AAC agreed not to publish the advertisement to avoid a
11 preliminary injunction motion that would have legally prevented another run of the
12 advertisement, then AAC went ahead and ran it again.

13
14 **CONCLUSION**

15 For all of the foregoing reasons, SureFire respectfully requests that this Court grant
16 the relief requested in its opening brief, including an award of fees and costs incurred in
17 bringing this motion.

18 DATED: March 16, 2009

19 X-PATENTS, APC

20
21 By \s\Jonathan Hangartner
22 JONATHAN HANGARTNER

23 Attorneys for Plaintiff SureFire, LLC
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