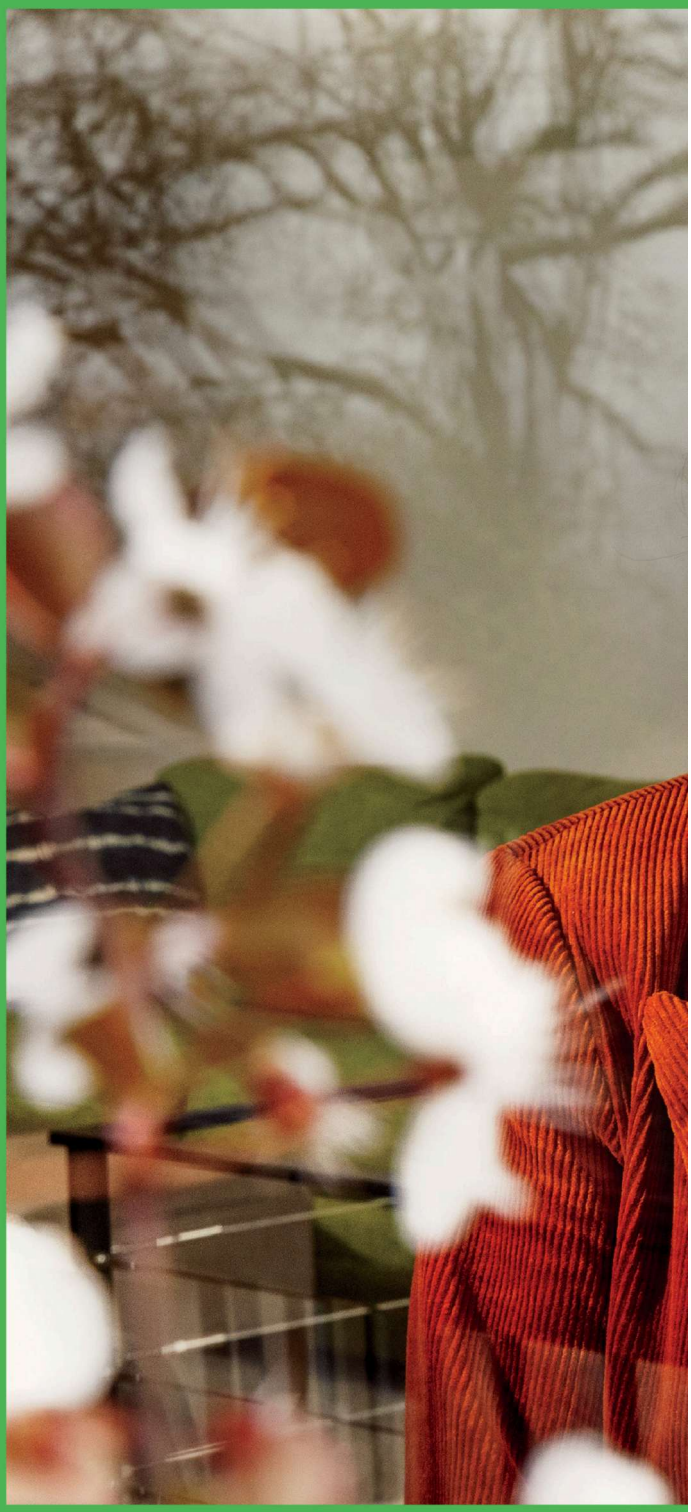
OPERATORS ARE STANDING BY



In just 13 minutes, Juliette Fassett sold $500,000 worth of product on QVC. Months later, a late-night infomercial turned her world upside down.

By Sam Blum | Photography by Holly Andres

Juliette Fassett, at her home in Portland, Oregon. She is taking legal action to protect the patent on her tablet stand, known as Flippy.

Juliette Fassett was nursing a hangover as she walked into the lobby at QVC Studio Park on November 3, 2018. It was a career milestone to enter the sprawling campus with over 58,000 square feet of studio space in West Chester, Pennsylvania, where the network that pioneered TV shopping tapes its segments in front of live audiences. Fassett's invention, Flippy—a plush, multiangle stand for an iPad or other digital tablet—was making its prime-time debut.

It had taken Fassett years of tinkering with product design to bring Flippy to market and to earn a utility patent—an expensive process that gave her legal footing to protect the product from copycats. Triangular and pillowlike, Flippy is configured to flip and hold a device in three different positions. It's soft, it's friendly, and it balances on your lap, cradling an iPad like a baby.

For an inventor like Fassett, a successful QVC appearance can be an entryway to the promised land. It can open lanes that were previously closed off and imbue a small player with the credibility of a household name. Fassett was already treating the occasion like a party. "I had been out the night before with friends from high school I hadn't seen in a million years," she said. As the segment began, Fassett and a friend watched a live feed from the green room.

"This is a cushiony, comfortable pillow that has three different angles on it to hold your smart device," said QVC host David Venable, sitting in a living room set festooned with Christmas decor. As soon as Venable held up Flippy—yours for just $30—the phones lit up and orders began to pour in. Three thousand sold in just four minutes.

The green room was full of vendors waiting their turn at QVC glory. Everybody in the room stopped talking and started paying attention to the broadcast, remembers Fassett. Another three minutes ticked down. Six thousand sold. Fassett watch ed in disbelief.

Venable set the last Flippy onto the coffee table and declared that QVC's cupboards were now bare. Fassett and her humble tablet stand had sold out, grossing $500,000 in 13 minutes. A total of 15,000 Flippys had been sold. "The whole thing was a singular day in my life," she said.

As Flippys flew off QVC's screens, they appear to have caught the attention of a competitor who saw in them a different opportunity. Over the next weeks, 35 Flippys were sent to the New Jersey addresses of two consumer product giants: Telebrands, owned by AJ Khubani, and Ontel, owned separately by AJ's brother Chuck Khubani. Additional Flippys were sent to AJ Khubani at a private residence in New Jersey, according to sales records provided by Fassett.

Ontel and Telebrands have made the Khubanis a fortune, harnessing consumer appetites for late-night impulse purchases of tchotchkes and gadgets. The Khubanis have also made a killing bringing the products to retail, slapping them with an "As Seen on TV" logo that AJ Khubani is widely credited with inventing and which has become their ubiquitous calling card.

After Fassett returned home to Portland, Oregon, she had no idea her product had been noticed by the Khubanis. She was still buzzing from the smash QVC success and preparing to bring Flippy to major retail outlets.

A few months later, in February 2019, a friend of Fassett's was watching late-night cable and immediately called the inventor. An Ontel product that bore a striking resemblance to the Flippy was making the rounds on the infomercial circuit. It was called Pillow Pad and retailed for $19.99—$10 less than Flippy sold for on QVC.

Learning that she had been undercut on price awakened a certain spikiness in Fassett. "You don't know me, but you know my product, called Flippy, because your company is stealing it," she wrote in an email in March 2019 to Ontel founder Chuck Khubani and his son Amar.

Amar replied to the email, asking for a phone call, which Fassett says came with the offer of a licensing deal that she quickly rebuffed. She responded a couple of weeks later to Ontel's offer with a counterproposal: She'd consider selling Flippy to them for $20 million. "I'm really a live-and let-live kind of person.," Fassett wrote to the father-son duo. "Until someone fucks with me directly."

"As you have," she added.

Since sending that punchy email over six years ago, Juliette Fassett's life has transformed into a justice crusade against patent abuse. Lawsuits filed in October 2024 against Ontel, Telebrands, and several retail outlets that have sold the Pillow Pad covered a range of alleged offenses, including patent infringement, trade dress infringement—making a product that looks exactly like Flippy—false advertising, unfair competition, and tortious interference.

AJ Khubani
is the CEO of Telebrands, founded in 1983.

In December, Fassett's attorneys withdrew the case against Telebrands after that company's motion to dismiss. AJ Khubani wrote in an affidavit supporting the motion that "there is no common ownership between Telebrands and Ontel. They are completely separate, independent entities owned by different parties." He continued, noting that "Telebrands and Ontel are direct competitors and, in the past, have often marketed and sold competing products to consumers."

Fassett's case against Ontel is ongoing. Her lawyers maintain both companies operate in the same way: "Ontel's business model is straightforward. It typically identifies a successful pioneering product, has knockoff copies manufactured (often in China), and then imports the knockoff products into the United States for sale (both directly and through retail partners) at a substantially lower price than the pioneering product," the complaint says.

Fassett never expected to become so singularly focused on the Khubanis, who played a pioneering role in the heyday of infomercials in the 1980s. The industry boomed under Ronald Reagan as the Federal Communications Commission slashed advertising regulations, allowing the infomercial to take root and flourish. Eventually, the field became synonymous with over-the-top pitchmen like Billy Mays and

PHOTOGRAPHY BY HUGO YU; PROP STYLING: WILLIE SHAW

Chuck Khubani
is the CEO of Ontel, founded in 1994.

Ron Popeil, and schlocky products like the Chia Pet, ThighMaster, and Ginsu knives.

The brothers unleashed products that became instant moneymakers: Telebrands' Ped Egg, introduced in 2007, is an oval-shaped device meant to shave down calloused feet. In 2015, *The Week* called it one of the "10 best-selling infomercial products," along with the ThighMaster and the Snuggie. It's also one of many products that Telebrands has been sued for regarding patent infringement claims.

Over the past 30 years, nearly 100 lawsuits have been filed against Ontel and Telebrands, many of them alleging intellectual property infringement over consumer products. Telebrands has also been fined by the Federal Trade Commission. In 1999, the company paid $800,000 for violating mail order laws requiring sellers to deliver their products in a timely fashion. In 2009, the company reached a $7 million settlement with the FTC for selling an exercise belt—the Ab Force, which was sold via infomercial for just $20—that falsely promised to help customers shed belly fat with electro-stimulation.

Neither AJ Khubani of Telebrands nor Chuck and Amar Khubani of Ontel responded to repeated requests for comment. Similarly, Ontel's general counsel also did not reply to Inc. to comment about the company's business practices. But many founders and people in the industry are critical of them.

"It's blatant thievery," says a former advertising executive who worked in the infomercial space for decades and asked to remain anonymous to avoid possible legal repercussions. "And people like the Khubanis have made absolute fortunes on the hard work, time, effort, and money that other people have put into these products."

Fassett's approach to entrepreneurship is befitting of a Portland resident—the city has a penchant for weirdness and touts its progressive bona fides. "I'm not a world-domination type person," she says. "I've had a whole bunch of businesses, and I've always run them with the no-asshole rule. I'm not an asshole. I don't run my business with assholes."

She explained that the lawsuits have become the ultimate test of her resolve and the defining battle of her career. Sitting at her kitchen counter on a rainy day in January, she spoke with a sense of calm, but there was pugnaciousness bubbling beneath the surface. Fassett presents as unassuming, with short brown hair, but her eye contact rarely wavers. Her intensity makes sense. Fassett, now 60, has been running businesses since she was in her early 20s.

The companies she's started have largely fallen within the consumer product orbit. Her previous businesses include Mixx, a purse and tote maker she began in 2003. Mixx hit nearly $4 million in its best year, but the company ran out of cash in 2009, when the financial crisis caused a credit line that it depended on to dry up. There was Dr. McGrath's, a pet supplies company that she ran from 2013 to 2017. And then there is Happy Products, which she began in 2018 as the holding company for her beloved Flippy.

Fassett describes the gargantuan odds she believes are stacked against her with her legal actions. "It's the inverse of power—me being the little speck of dirt on the bottom of somebody's shoe, and them being at the top of the mountain in their McMansions," she says.

Fassett's initial complaint, filed in New Jersey's federal district court last October, alleges that both companies—AJ's Telebrands and Chuck's Ontel—have amassed their wealth by showing "flagrant disrespect for innovators' intellectual property rights" when business owners are "without substantial resources to litigate."

There is always a potential for retaliation when a small firm takes on a large corporation in court. Instafloss, the maker of a dental hygiene device that claims to floss an entire set of teeth in 10 seconds, sent a cease and desist to Ontel in January 2024, accusing the company of selling an infringing item called Miracle Smile, which promises results in "seconds." That same month, Instafloss's parent company complained to Amazon that Miracle Smile, a potentially patent-infringing product, was selling on its platform. Ontel responded by filing a lawsuit against Instafloss but withdrew it shortly afterwards. The legal dispute between the two parties is ongoing.

To Fassett and many inventor advocates, this financial imbalance is the animating predicament in the intellectual property wars. Those with deeper pockets can get away with developing products that infringe on whatever patents they want, particularly when the products in question are easy to make, especially overseas.

The knockoff economy is usually thought of as a threat from abroad. In 2020, AJ Khubani gave an interview to CNBC about Chinese knockoffs proliferating on Amazon. He spoke to a reporter while showing off some of his company's popular products, like the Pedi Vac and the Lint Lizard: "The counterfeits pop up on Amazon within 30 and 60 days of us launching a TV commercial," he says, so "more people buy the counterfeit because it's cheaper than our original product."

In 2023, over $2.7 billion in counterfeit goods—mainly consumer products like supplements, grooming products, and personal electronics—were seized by U.S. Customs and Border Protection, around two-thirds of which originated in China. Knockoffs are so pervasive that flaunting duped luxury items has become a Gen-Z fashion trend. Media reports have waded into young people's affinity for knockoff Lululemon pants and Ugg slippers. Knockoff manufacturers have welcomed these consumers. As President Trump threatened tariffs against China, factories in that country went on TikTok claiming (falsely) to make luxury goods for Lululemon and Hermès and urging Americans to buy from them directly. (In May, a shaky truce between China and the U.S. settled tariffs at a 30 percent maximum for the next 90 days.)

While tariffs may shake up the dupe economy abroad, Fassett says her mission is different. She seeks to sound the alarm about IP theft that U.S. inventors face at home—between the homegrown copycats and a legal system that, in her view, doesn't do enough to protect inventors like Fassett herself from corporations like Ontel.

"In consumer products, China is really bad" when it comes to duplicates, Fassett says. "But when it comes to my subset of the market, the call is coming from inside the house."

Patents are a way of shielding a product with protective armor, so that owners can control how the product is made and sold. But the system governing patents in the U.S. is by no means bulletproof. "Every inventor who comes to me thinks their product is going to change the world," says Ted Wood, an IP and patent attorney based in Gaithersburg, Maryland, but filing for a patent is expensive and arduous, and can involve a delicate and confusing bureaucracy of paperwork.

An inventor like Fassett will normally wind up paying an average of $8,000 on a "well-written" patent application, Wood explains. After the application is filed with the U.S. Patent and Trademark Office, most inventors must wait a year or more in patent-pending limbo. Then, after the USPTO responds, a process known as patent prosecution begins.

Patent applications are not accepted when initially filed "basically 100 percent of the time," Wood says. The inventor's legal team will need to answer the response—called an office action—and argue that the patent is indeed unique and novel, which usually costs another $3,000 in legal fees, plus additional filing fees with the USPTO. Wood explains that most applications will have two office actions to navigate before they receive a Notice of Allowance, meaning the inventor must pay one more round of legal and government fees before being granted the final patent. In total, the whole process usually costs between $30,000 and $50,000.

Ultimately, the point of getting a patent is to turn the kernel of an idea into enforceable intellectual property. Once you have a patent, an inventor can more easily sue a copycat over infringing on their product.

Patent law is a malleable trade, explains Adam Ullman, an intellectual property attorney and inventor. "A lot of inventors think their patents cover A through Z, but it really covers A, L, and Q, and there are these gaping holes that allow other people to work around."

Or, to put it more bluntly, as one inventor wrote in *Forbes* in 2023: "Is a patent only as useful as your ability to defend it?"

Fassett's utility patent describes the way the Flippy is used, how it works, and how it looks. That language needs to be incredibly broad but also very detailed to protect it from all the conceivable ways it could be knocked off. Usually, the potential cost of litigation is enough to spook independent inventors from pursuing legal action when they get copycatted.

A leopard-print Flippy at Fassett's home. The tablet stand retailed for $29.98 on QVC, while the Pillow Pad sold for $19.99.

"Walmart and Telebrands are going to spend $10 million a year in litigation," says Josh Malone, a Texas-based inventor who locked horns with Telebrands in a four-year legal dispute, eventually resulting in a $31 million settlement. "It's just a cost of doing business."

He describes the ways many of the most prolific knockoff perpetrators function. "We're not going to talk to inventors, we're not going to license, we're not going to read their patents. We're just going to give our money to lawyers," he claims.

Litigation aside, the experience of getting ripped off can be crippling for independent inventors in other ways. Knockoffs can be reputationally damaging, for example. One inventor claims his product is regularly mistaken for a similar product. "We started getting emails from people saying, 'Hey, your product is a piece of shit,'" says the inventor, who asked for anonymity because of potential legal entanglements. The product that prompted complaints is sold by Ontel.

While the patent process took Fassett years to pursue, Ontel was able to flood the market with its Pillow Pad using its production resources in China. "They coated the entire retail landscape in less than six months," Fassett says.

While the legal landscape provides very little protection to inventors, generally speaking, one model that's been used to decent effect is Amazon's Patent Evaluation Express (APEX) program, which allows sellers to report patent infringing products listed on the site.

Under the program, sellers can report products they believe are infringing on their patents for a $4,000 fee. The sellers of the infringing products are notified and given three weeks to respond to the complaint. If they don't respond to the inquiry, Amazon will take their products off the site. If they do respond, they can resolve the claim by paying $4,000 so an independent legal team can compare the products against the original patent, to see if any infringement has occurred. Or they can always, of course, sue.

Amazon is one place Fassett has seen some progress protecting her intellectual property. In 2021, she filed an infringement complaint and, with no response from Ontel, succeeded in having the Pillow Pad barred from the platform.

Fassett hasn't been shy about promoting her legal battles on social media. On LinkedIn, she's written about "trauma bonding" with other entrepreneurs who've crossed paths with Khubani-owned companies, and about being, her word, "bullied" by attorneys representing Ontel.

It could be seen as brazen behavior, given that most inventors who claim their products are knocked off by large consumer product companies are hesitant to cause a stir or pursue financially draining litigation. "People are terrified of them," she alleges of Ontel.

The sons of Indian immigrants, the Khubani brothers' story has been framed for decades as an inspiring study in entrepreneurial grit. While Chuck, 64, has kept a private personal life, he has drawn a few headlines through various real estate transactions over the years. AJ's upbringing has been better publicized. In 2008, he told *The New York Times* about selling knives door-to-door for Cutco, and wagering a large portion of his life savings on an ad he placed in the *National Enquirer* to sell handheld radios in 1983.

That mail-in order business eventually became Telebrands, which AJ built into a leader in the industry. Over the years, he became something of a minor business celebrity, appearing on programs like the *Today* show and extolling his marketing genius to publications like *New York* magazine, which profiled him in 2007.

AJ, 65, has a reputation as a magnanimous marketing guru. Always wearing a suit with his hair slicked back, he'd regularly advise students taking Princeton University's entrepreneurial engineering course. Telebrands also invited budding inventors to pitch AJ at the company's Inventors Day events. Sometimes the events traveled across the country, where inventors could present a five-minute pitch, *American Idol*-style, for a chance to win a licensing deal with Telebrands.

At a convocation speech at his alma mater, Montclair State University, in 2014, AJ was introduced as the thinker who built "a nearly $1 billion marketing giant" behind such hit products as Ped Egg, Pocket Hose, and various other As-Seen-on-TV items.

Both the Ped Egg and the Pocket Hose—a garden hose that expands to various lengths—were the subject of patent infringement claims in lawsuits. In 2008, a company called Grace Manufacturing, which produced a foot file called the Microplane, sued Telebrands, arguing Ped Egg violated its patent. The two companies ultimately settled, but the Ped Egg went on to become a legacy product for Telebrands. In a 2013 promotional video, the company claimed it had sold 40 million units.

Then there was Ontel's Pillow Pad, which entered the market in early 2019. It might not be a product that would rank among the best-known As-Seen-on-TV items, but it would change Juliette Fassett's life.

The holding company Fassett established for the Flippy, Happy Products, Inc., finished 2019 with $7 million in sales and nearly $2 million in profit—the tail end of her QVC boom. But by the end of that year, Pillow Pads were being sold at numerous retail outlets such as Walmart, Kroger, Big Lots, Lowe's, and more. Despite the years it took to get Flippy off the ground, Pillow Pad quickly stole market share, disrupting Fassett's million-dollar idea. In 2020, her company lost $629,000 on $4.3 million in sales.

As the 2020s slogged on, Fassett's business was holding on by a thread. By the end of 2022, Happy Products had lost $550,000 on $1.5 million in sales. In the same year, Chuck Khubani, Ontel's founder and CEO, bought a $7.3 million condo in Miami. (Records indicate that a holding company owned by Chuck Khubani, Ask Florida, LLC, currently owns seven properties in Miami-Dade County.) In the beginning of 2023, Pillow Pad was still being sold online by various retailers, including Kroger, Walmart, and Walgreens.

Later that year, however, Fassett finally caught a break. She was contacted by an IP lawyer from the white-shoe law firm Squire Patton Boggs to be interviewed by members of the legal professional organization Inns of Court about intellectual property and Amazon's patent evaluation process. The talk was engrossing enough that the firm began representing Fassett, filing her initial suit against Ontel and Telebrands in October 2024.

Inventors who can settle patent infringement claims for a fee or licensing deal are among the luckier ones, Fassett says. In the end, she'd probably prefer to emulate Josh Malone, the inventor who earned a massive payout from Telebrands.

In 2019, a federal district court in Texas found that the patent for Malone's invention, a water balloon-filling device called Bunch O Balloons, had been violated by Telebrands' Balloon Bonanza. Malone's victory was possible only because the device's Hong Kong-based manufacturer shared the burdensome expense of litigation, which *The Wall Street Journal* reported had already cost nearly $10 million in 2017.

"After four and a half years, I figured out the secret: You have to have deeper pockets and more political influence than the other guys," Malone explains. "It has nothing to do with how revolutionary my invention was, or how rock-solid my patents were."

Fassett is obviously hoping that she can triumph in a similar vein, but she faces a legally daunting path. The case could hypothetically wind up in a lengthy appeals process at the USPTO's Patent Trial and Appeal Board. Ontel has until October 2025 to file a petition.

The PTAB is a tribunal created in 2012 after Congress passed the America Invents Act, which effectively changed patent law in the U.S. Under the rule, the first person to file the patent is the owner, instead of putting a burden of proof on an owner to show that they had an idea first. (Major lobbyists for the bill included tech corporations such as Google and Amazon.) Historically, more than 80 percent of patents that are reviewed by PTAB have claims that are invalidated, according to IPWatchdog, an industry group aiming to reform IP law.

For now, Fassett's case is in its early days. Back at her house in Portland, she pulls out a few different color versions of Flippy. The plush tablet stands are small, cute, and innocuous, but for Fassett, they're still full of meaning. They're everything she had worked for her entire career, "and they took it from me," she says. "They took it from me in a matter of months."

SAM BLUM *is a senior writer at Inc.*