

legally issued by the United States Patent and Trademark Office (collectively, the “patents-in-suit”). True and correct copies of the ‘145 Patent, the ‘146 Patent, and the ‘528 Patent are attached respectively as Exhibits A, B and C.

2. Plaintiff is also the owner by assignment of U.S. Patent No. 7,835,343 (“the ‘343 Patent”), entitled “Calculating Transmission Anticipation Time Using Dwell And Blank Time In Spread Spectrum Communications For Security Systems;” U.S. Patent No. 8,081,073 (“the ‘073 Patent”), entitled “Integrated Motion-Image Monitoring Device With Solar Capacity;” and U.S. Patent No. 8,155,105 (“the ‘105 Patent”), entitled “Spread Spectrum Wireless Communication And Monitoring Arrangement And Method.” Various aspects of one or more of the claims in the ‘343 Patent, the ‘073 Patent, and the ‘105 Patent are believed to be relevant and possibly cover the VPS technology/services accused herein of being infringed (by direct infringement and/or indirect infringement), as may be developed over the course of discovery pursuant to the applicable Federal Rules of Civil Procedure.

3. Plaintiff has developed manufactured, sold, and invented security/alarm systems and devices around the world and in the United States. At least some of the patents-in-suit cover the Plaintiff’s security/alarm systems and devices including Plaintiff’s Videofied (system and devices) which system and devices are collectively referred to as “Plaintiff’s Patented Products”).

4. Defendants have been marketing devices/services used to secure, maintain, and manage property sites including VPS product offerings exemplified by a product known as “VPS SmartAlarm Gold” and including the VPS SmartAlarm Gold product and related devices and services that operate with SmartAlarm Gold (these VPS product offerings are collectively referred to as “the accused VPS Products”).

PARTIES

5. Plaintiff is a Minnesota corporation having its principal place of business in St. Paul, Minnesota.

6. On information and belief, Defendant Vacant Property Security LLC is a Foreign Limited-Liability Company having a qualifying state of Delaware, and having its principal place of business in Chicago, Illinois.

7. On information and belief, Defendant Vacant Property Security Limited is a United Kingdom company incorporated in the United Kingdom, and having its principal place of business in London, England.

8. On information and belief, Defendant VPS Group is a United Kingdom company incorporated in the United Kingdom, and having its principal place of business in London, England.

9. On information and belief, Defendant Quatro Electronics Limited is a United Kingdom company incorporated in the United Kingdom, and having its principal place of business in London, England.

JURISDICTION AND VENUE

10. This action arises under the patent laws of the United States, Title 35 of the United States Code. Thus, this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

11. On information and belief, Defendants have transacted business in this district and has committed acts of patent infringement in this district. Thus, venue is proper in this district under 28 U.S.C. §§ 1391(c) and 1400(b).

12. Each of the Defendants (Defendant Vacant Property Security LLC, Defendant Vacant Property Security Limited, Defendant VPS Group Inc., and Defendant Quatro Electronics Limited and their affiliates, collectively “Defendants”), has infringed at least one of the ‘145 Patent, the ‘146 Patent and the ‘528 Patent by behavior which includes making, using, selling, offering to sell, and/or importing Plaintiff’s Patented Products without Plaintiff’s authorization.

13. Defendant Vacant Property Security LLC and Defendant Vacant Property Security Limited are cooperating with at least one of Defendant Quatro Electronics Limited and Defendant VPS Group Inc. to import products into the United States, which infringe the patents-in-suit, without Plaintiff’s authorization and which results in further infringement of the patents-in-suit by using, selling, or offering to sell services and/or products based on the imported products.

14. On information and belief, Defendants offer to sell and install the accused VPS Products in various locations in the United States, including locations in Texas.

15. On information and belief, Defendants have used and installed the accused VPS Products in Texas.

16. On information and belief, Defendants have at least one facility in Texas wherefrom employees of at least one of the Defendants operate the accused VPS Products on behalf of customers or prospective customers.

17. At least one of the Defendants has studied Plaintiff’s Videofied product, and Defendants have distributed brochures (as exemplified by the attached Exhibit D) that disclose comparisons of one or more of the accused VPS Products to Plaintiff’s Videofied product. Plaintiff’s Videofied product is covered by at least one of the patents-in-suit.

18. Plaintiff has complied with the notice requirement of 35 U.S.C. § 287(a) by placing a notice of the Letters Patents including the patents-in-suit on Plaintiff's Patented Products it manufactures and sells and has provided written notice of the alleged infringement to Defendants.

19. Plaintiff has been irreparably harmed by Defendants' behavior which has resulted in infringement of the patents-in-suit.

20. Defendants' infringement of the patents-in-suit has threatened the value of this intellectual property because Defendants' behavior has resulted in Plaintiff's loss of sales and has undermined Plaintiff's lawful patent rights to exclude others from making, using, selling, offering to sell and/or importing the patented inventions.

21. Defendants' disregard for Plaintiff's patent rights threatens Plaintiff's relationships with customers and potential customers of Plaintiff's Patented Products as well as Plaintiff's relationships with its existing licensees and potential licensees of this intellectual property.

22. Defendants regularly compete with Plaintiff for customers and sales of Plaintiff's Patented Products, and, on information and belief, Defendants had knowledge that Plaintiff's Patented Products are patented.

23. By infringing the patents-in-suit without authorization by Plaintiff, Defendants have been attempting to, and unless and until enjoined therefrom will, derive a competitive advantage over Plaintiff and over Plaintiff's patented technology. Accordingly, Plaintiff has suffered irreparable harm for which there is no adequate remedy at law and, unless and until Defendants' continuing acts of infringement are enjoined, Plaintiff will suffer further irreparable harm for which there is no adequate remedy at law.

24. On information and belief, Defendants have conducted substantial business in this forum, directly or through intermediaries, such substantial business including but not limited to: (i) at least a portion of the infringements alleged herein; and (ii) regularly doing or soliciting business, engaging in other persistent courses of conduct, and/or deriving substantial revenue from goods and services provided to individuals in Texas and in this Judicial District. Thus, Defendants are subject to this Court's specific and general personal jurisdiction pursuant to due process and/or the Texas Long Arm Statute.

INFRINGEMENT OF U.S. PATENT NO. 7,463,145

25. Paragraphs 1 through 24 are incorporated by reference as if fully restated herein.

26. On or about December 9, 2008, the '145 Patent was duly and legally issued by the United States Patent and Trademark Office. Plaintiff has owned the '145 Patent throughout the period of Defendants' infringing acts.

27. On information and belief, through their conduct in Texas and other locations in the United States, Defendants have infringed and are still infringing the '145 Patent, by manufacturing, using, selling, offering for sale, or importing the accused VPS Products that embody the patented invention as claimed in the '145 Patent and, unless enjoined, will continue to infringe the '145 Patent by this behavior.

28. On information and belief, through their conduct in Texas and other locations in the United States, Defendants have indirectly infringed the '145 Patent, by acts of inducing infringement and/or contributory infringement, by knowingly encouraging others to use the accused VPS Products as set forth in one or more of the claims of the '145 Patent unlawfully and without Plaintiff's authorization and, unless enjoined, will continue to indirectly infringe the '145 Patent by this behavior. For example, based on information and belief, Defendants have

made, shipped and/or imported the accused VPS products for installation in Texas and non-Texas U.S. locations and have encouraged customers and prospective customers to use the accused VPS products as embodied by the invention claimed in each of the patents-in-suit.

29. Defendants have been infringing one or more claims of the '145 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm.

INFRINGEMENT OF U.S. PATENT NO. 7,463,146

30. Paragraphs 25 through 29 are incorporated herein by reference as if fully restated herein.

31. On or about December 9, 2008, the '146 Patent was duly and legally issued by the United States Patent and Trademark Office. Plaintiff has owned the '146 Patent throughout the period of Defendants' infringing acts.

32. On information and belief, through their conduct in Texas and other locations in the United States, Defendants have infringed and are still infringing the '146 Patent, by manufacturing, using, selling, offering for sale, or importing the accused VPS Products that embody the patented invention as claimed in the '146 Patent and, unless enjoined, will continue to infringe the '146 Patent by this behavior.

33. On information and belief, through their conduct in Texas and other locations in the United States, Defendants have indirectly infringed the '146 Patent, by acts of inducing infringement and/or contributory infringement, by knowingly encouraging others to use the accused VPS Products accordingly to one or more of the claims of the '146 Patent unlawfully and without Plaintiff's authorization and, unless enjoined, will continue to indirectly infringe the '146 Patent by this behavior. For example, based on information and belief, Defendants have

made, shipped and/or imported the accused VPS products for installation in Texas and non-Texas U.S. locations and have encouraged customers and prospective customers to use the accused VPS products as embodied by the invention claimed in each of the patents-in-suit.

34. Defendants have been infringing one or more claims of the '146 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm.

INFRINGEMENT OF U.S. PATENT NO. D555,528

35. Paragraphs 30 through 34 are incorporated herein by reference as if fully restated herein.

36. On or about November 20, 2007, the '528 Patent was duly and legally issued by the United States Patent and Trademark Office. Plaintiff has owned the '528 Patent throughout the period of Defendants' infringing acts.

37. On information and belief, through its conduct in Texas and other locations in the United States, Defendants have infringed and are still infringing the '528 Patent, by manufacturing, using, selling, offering for sale, or importing the accused VPS Products that embody the patented invention as claimed in the '528 Patent and, unless enjoined, will continue to infringe the '528 Patent by this behavior.

38. On information and belief, through their conduct in Texas and other locations in the United States, Defendants have indirectly infringed the '528 Patent, by acts of inducing infringement and/or contributory infringement, by knowingly encouraging others to use the accused VPS Products as set forth in the claim of the '528 Patent unlawfully and without Plaintiff's authorization and, unless enjoined, will continue to indirectly infringe the '528 Patent by this behavior. For example, based on information and belief, Defendants have made, shipped

and/or imported the accused VPS products for installation in Texas and non-Texas U.S. locations and have encouraged customers and prospective customers to use the accused VPS products as embodied by the invention claimed in each of the patents-in-suit.

39. Defendants have been infringing the claim of the '528 Patent through the aforesaid acts, and will continue to do so unless enjoined by this Court. Defendants' wrongful conduct has caused Plaintiff to suffer irreparable harm.

WILLFUL INFRINGEMENT

40. Paragraphs 1 through 39, with all their related averments and references to Exhibits A, B, C and D, are incorporated herein by reference as if fully restated herein.

41. Defendants were provided written notice of Plaintiff's patents-in-suit and of Plaintiff's concern of Defendants' infringement thereof.

42. Defendants' acts, alleged above to have caused infringement of the patents-in-suit, were performed with Defendants' knowledge of the patents-in-suit and of the risk that these acts might lead to an adjudication of infringement.

43. Defendants' acts, alleged above to have caused infringement of the patents-in-suit, were reckless and willful, and entitle Plaintiff to enhanced damages and attorneys' fees.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against each of Defendants, granting Plaintiff the following relief:

A. That this Court adjudge and decree that the '145 Patent is valid and enforceable against each of Defendants, that the '146 Patent is valid and enforceable against each of Defendants, and that the '528 Patent is valid and enforceable against each of Defendants;

B. That this Court adjudge and decree that each of the Defendants has infringed the '145 Patent, the '146 Patent, and the '528 Patent;

C. That this Court adjudge and decree that each of the Defendants has infringed the '145 Patent, the '146 Patent, and the '528 Patent through infringement by inducement or contributory infringement.

D. That this Court permanently enjoin each of the Defendants, and their parents, subsidiaries, affiliates, successors and assigns, and each of their officers, directors, employees, representatives, agents, and attorneys, and all persons acting in concert or active participation with, or on their behalf, or within their control, from making, using, selling, offering to sell, importing, or advertising products and/or services and/or employing systems, hardware, software and/or components and/or making use of systems or processes that infringe any of the claims of the patents-in-suit, or otherwise engaging in acts of infringement of the patents-in-suit, all as alleged herein;

E. That this Court order an accounting, including a post-verdict accounting, to determine the damages to be awarded to Plaintiff as a result of Defendants' infringement;

F. That this Court, pursuant to 35 U.S.C. § 284, enter an award to Plaintiff of such damages as it shall prove at trial against Defendants that is adequate to compensate Plaintiff for said infringement, said damages to be no less than a reasonable royalty together with interest and costs;

G. That this Court assess pre-judgment and post-judgment interest and costs against Defendants, together with an award of such interest and costs, in accordance with 35 U.S.C. § 284;

H. That this Court declare this case to be exceptional and direct Defendants to pay Plaintiff's attorneys' fees incurred in connection with this lawsuit pursuant to 35 U.S.C. § 285;

I. That this Court award enhanced damages and attorney's fees due to Defendants' willful infringement; and

J. Grant to Plaintiff such other, further, and different relief as may be just and proper.

DEMAND FOR JURY TRIAL

Plaintiff, under Rule 38 and other applicable Federal Rules of Civil Procedure, requests a trial by jury of any issues so triable by right.

Respectfully submitted,

Dated: May 6, 2013

/s/ Kenneth R. Breitbeil

Kenneth R. Breitbeil

Attorney-In-Charge

State Bar of Texas No.: 02947690

Email: kbreitbeil@mcfall-law.com

Norma N. Bennett

State Bar of Texas No.:24028492

Email: nbennett@mcfall-law.com

MCFALL, BREITBEIL & SMITH, P.C.

1250 Four Houston Center

Houston, Texas 77010-3027

Telephone: (713) 590-9300

Facsimile: (713) 590-9399

Attorneys for RSI Video Technologies, Inc.

Of Counsel:

Robert J. Crawford

Email: bcrawford@ip-firm.com

Crawford Maunu PLLC

1150 Northland Drive, Suite 100

St. Paul, MN 55120

Phone: (651) 259-2300

Fax: (651) 686-7111