

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No.

HACH COMPANY

Plaintiff,

v.

IN-SITU, INC.,

Defendant.

COMPLAINT FOR PATENT INFRINGEMENT

For its Complaint against In-Situ, Inc. (“In-Situ”), Hach Company (“Hach”) states as follows:

NATURE OF THE ACTION

1. This is an action at law and in equity for patent infringement, arising under the Patent Act, 35 U.S.C. §§ 1, *et seq.*
2. In-Situ manufactures or imports, and offers for sale and/or sells, dissolved oxygen probes throughout the United States that infringe Hach’s rights in U.S. Patent 7,791,028 (“ ‘028 patent”). This action seeks injunctive relief and monetary damages to remedy the harm to Hach caused by In-Situ’s infringement of Hach’s patent rights.

PARTIES, JURISDICTION AND VENUE

3. Plaintiff Hach is a Delaware corporation with a principal place of business at 5600 Lindbergh Drive, Loveland, Colorado 80539.

4. On information and belief, defendant In-Situ is a Wyoming corporation with a principal place of business at 221 East Lincoln Avenue, Fort Collins, Colorado 80524.

5. The Court has subject matter jurisdiction over this case pursuant to 28 U.S.C. §§ 1331 and 1338(a), because this case presents well-pleaded federal questions arising under the Patent Act, 35 U.S.C. §§ 1, *et seq.*

6. The exercise of *in personam* jurisdiction over In-Situ comports with the laws of the State of Colorado and the constitutional requirements of due process because In-Situ or its agents transact business or offer to transact business within Colorado.

7. Venue is proper in this District pursuant to 28 U.S.C. § 1391 and 28 U.S.C. § 1400(b), as In-Situ resides in Colorado.

HACH'S EXCLUSIVE RIGHTS TO THE '028 PATENT

8. On July 14, 1999, Hach and PhotoSense, L.L.C. ("Photosense") entered into a License Agreement ("License Agreement"), whereby Photosense granted Hach a worldwide exclusive license under the "Licensed Patents."

9. The License Agreement defined "Licensed Patents" as "all patents and patent applications . . . now owned or licensed, or thereafter acquired or licensed during the term of this Agreement, by or on behalf of Photosense or any of its Affiliates relating to the Technology in the Field of Use."

10. With respect to each party, the License Agreement defined "Affiliate" as "any corporation or other business entity directly or indirectly controlling, controlled by or under common control," where "the term 'control' means possession of the power to direct, or cause

the direction of the management and policies of a corporation or other entity whether through the ownership of voting securities, by contract or otherwise.”

11. The License Agreement defined “Technology” as “a) non-down converting Digital Signal Processor-based systems for measuring decay lifetimes of quenched luminescence sensors, b) formulations of oxygen sensitive film, c) probe optical, mechanical and electrical configurations and d) calibration algorithm related to a) through c) above.”

12. The License Agreement defined “Field of Use” as “complete, packaged systems and Components (and replacement parts for those systems and Components) for environmental, sludge, industrial, food and beverage applications for the measurement of oxygen in liquid environments and in the headspace of liquid environments.”

13. The License Agreement stated that it “shall remain in effect until the expiration of the last to expire of the Licensed Patents.”

14. At all times relevant to this Complaint, Photosense was controlled by Alan E. Baron (“Baron”), Nathan T. Baltz (“Baltz”), and J. D. Sheldon Danielson (“Danielson”). Baron and Danielson signed the License Agreement on behalf of PhotoSense in 1999, each with the title “Co-Manager,” and around that same time Baron held himself out as President of Photosense. Later, at least as of about 2003-2005, Baron, Danielson and Baltz were co-managers, and Baltz held himself out as President.

15. In early 2005, Baron, Baltz and Danielson co-founded and controlled TauTheta Instruments LLC (“TauTheta”). At all times relevant to this Complaint, TauTheta was an Affiliate of Photosense. Baron held himself out as President of TauTheta as of about 2005-2008. Baltz held himself out as TauTheta’s Vice President of Product Development as of about 2007.

16. Until April 2006, both Photosense and TauTheta were located at 1880 S. Flatiron Court, Boulder, Colorado 80301.

17. On November 10, 2005, Provisional Application No. 60/736,021 was filed naming Baltz and Danielson as inventors, and Baron signed the cover sheet on behalf of TauTheta. Then, on November 13, 2006, U.S. Patent Application No. 11/598,349 was filed, claiming priority to Provisional Application No. 60/736,021. U.S. Patent Application No. 11/598,349 related to, among other things, non-down converting Digital Signal Processor-based systems and methods for measuring decay lifetimes of quenched luminescence sensors; probe optical, mechanical, and electrical configurations; and related calibration algorithms.

18. In late January 2007, Baltz and Danielson assigned their interests in U.S. Patent Application No. 11/598,349 to Photosense's Affiliate TauTheta. This assignment is the only assignment recorded with the United States Patent and Trademark Office to date.

19. At least as of February 2007, TauTheta was an Affiliate of Photosense, because Photosense and TauTheta were under common control. Thus, as of February 2007, Hach had a worldwide exclusive license to U.S. Patent Application No. 11/598,349 for environmental, sludge, industrial, food and beverage applications for the measurement of oxygen in liquid environments and in the headspace of liquid environments.

20. On October 15, 2007, In-Situ announced that it had acquired TauTheta.

21. On September 7, 2010, the U.S. Patent and Trademark Office issued U.S. Patent No. 7,791,028, titled "Apparatus and Method for System Identification," from U.S. Patent Application No. 11/598,349. The '028 patent claims luminescent light measurement apparatuses

and methods for analyzing light emission from a luminescent sample. A copy of the '028 patent is submitted with this Complaint as Exhibit A.

22. As of September 7, 2010, Photosense's Affiliate TauTheta owned the '028 patent, subject to Hach's worldwide exclusive license for environmental, sludge, industrial, food and beverage applications for the measurement of oxygen in liquid environments and in the headspace of liquid environments.

23. On December 27, 2012, TauTheta and In-Situ filed a Statement of Merger with the Colorado Secretary of State whereby TauTheta merged into In-Situ as of December 31, 2012 at 11:59 PM. Thus, as of January 1, 2013, In-Situ became the owner of the '028 patent, subject to Hach's worldwide exclusive license for environmental, sludge, industrial, food and beverage applications for the measurement of oxygen in liquid environments and in the headspace of liquid environments.

IN-SITU'S INFRINGING ACTS

24. Hach is informed and on that basis believes that In-Situ manufactures or imports into the United States RDO® PRO Probes, and offers for sale and/or sells RDO® PRO Probes within the United States. In-Situ's RDO® PRO Probes use dynamic luminescence quenching to measure dissolved oxygen. In-Situ advertises its RDO® PRO Probes for aquaculture operations, dam discharge applications, municipal or industrial water and wastewater treatment plants, storm water management systems, and real-time remediation systems.

25. In-Situ's RDO® PRO Probes are marked "Patent No. US 7,791,028 B2."

26. Upon information and belief, In-Situ also makes, offers to sell, and sells RDO® Technology probes in the United States, which are marketed and sold by Mettler Toledo as

InLab® OptiOx and marketed and sold by Rosemount Analytical and Emerson Process Management as RDO Optical Dissolved Oxygen Sensor. Such probes are also marked "Patent No. US 7,791,028 B2."

27. Photosense has been aware of In-Situ's infringement of the '028 patent for over sixty days. Therefore, pursuant to the License Agreement, Hach has the right to bring a claim for patent infringement.

CLAIM FOR RELIEF FOR INFRINGEMENT OF '028 PATENT

28. Hach incorporates each of the preceding paragraphs by this reference and as if fully set forth herein.

29. In-Situ has made, used, offered to sell, sold, and/or imported, and continues to make, use, offer to sell, sell, and/or import dissolved oxygen probe products, including, but not limited to, RDO® PRO Probes, that infringe at least one claim of the '028 patent in violation of 35 U.S.C. § 271(a).

30. As a result of In-Situ's infringement of Hach's rights in the '028 patent, Hach has suffered and will continue to suffer damages in an amount to be proved at trial. Hach is entitled to damages pursuant to 35 U.S.C. § 284.

31. In-Situ's infringement of the '028 patent has caused irreparable harm to Hach, and will continue to do so unless enjoined. As a result, Hach is entitled to injunctive relief pursuant to 35 U.S.C. § 283.

PRAYER FOR RELIEF

WHEREFORE, Hach prays for entry of judgment granting:

A. A preliminary and/or permanent injunction restraining In-Situ, its officers, agents, servants, employees, directors, representatives, successors-in-interest, parent corporations, subsidiary corporations, affiliated companies, and all other persons, firms or entities acting in concert or participating with any one of them, directly or indirectly, who receive actual notice of this judgment, from manufacturing, using, marketing, distributing, selling, offering to sell and importing any probes that infringe the '028 patent;

B. An award to Hach of its damages in an amount according to the proof at trial;

C. Interest and costs; and

D. Such other and further equitable and legal relief as this Court deems just and proper.

JURY DEMAND

Hach hereby demands a trial by jury on all issues so triable.

DATE: August 15, 2013.

Respectfully submitted,

s/ Andrew J. Petrie

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