

**UNITED STATES DISTRICT COURT  
FOR THE  
NORTHERN DISTRICT OF ILLINOIS**

LYNK LABS, INC.,	)	
	)	
<i>Plaintiff,</i>	)	Civil Action No.: 16-cv-04636
	)	
v.	)	
	)	<b>JURY TRIAL DEMANDED</b>
SCHNEIDER ELECTRIC USA, INC.,	)	
	)	
<i>Defendant.</i>	)	

**FIRST AMENDED COMPLAINT**

Plaintiff Lynk Labs, Inc. (“Lynk Labs”), for its complaint against Defendant Schneider Electric USA, Inc., (“Schneider”) hereby demands a jury trial and alleges as follows:

**NATURE OF THE ACTION**

1. This is a civil action for patent infringement arising under the patent laws of the United States, 35 U.S.C. § 100, *et seq.*, for correction of inventorship pursuant to 35 U.S.C. § 256, and for breach of contract.

**THE PARTIES**

2. Lynk Labs is a corporation incorporated in the State of Illinois with its principal place of business at 2511 Technology Drive, Suite 108, Elgin, Illinois 60124. Before then, Lynk Labs’ principal place of business was 585 Tollgate Road, Suite E, Elgin, Illinois 60017.

3. On information and belief, Schneider is a corporation incorporated in the State of Delaware with a principal place of business at Boston One Campus, 800 Federal Street, Andover, MA 01810. On information and belief, Juno Lighting LLC was a wholly-owned subsidiary of Schneider Electric USA, Inc. (“Schneider”) until approximately December 10, 2015.

4. On information and belief, Acuity Brands Lighting, Inc. (together with Acuity Brands, Inc., “Acuity”) acquired all equity interests of Juno Lighting LLC by at least December 10, 2015.

5. On information and belief, Schneider, during the time it owned Juno Lighting LLC, was engaged in the business of designing, manufacturing, and selling lighting systems and related components in this District.

#### **JURISDICTION AND VENUE**

6. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a). Pursuant to 28 U.S.C. § 1367, this Court also has supplemental jurisdiction over the claims for breach of contract, fraudulent misrepresentation, fraudulent concealment, and negligent misrepresentation asserted herein because those claims are so related to the claims brought under the patent laws as to form part of the same case or controversy.

7. This Court has personal jurisdiction over Schneider pursuant to 735 ILCS 5/2-209 at least because Schneider was the corporate parent of Juno Lighting, LLC and Juno Manufacturing, LLC (collectively “Juno”), whose principal place of business is in the State of Illinois, at all relevant times to this litigation up until approximately December 10, 2015, during which time Juno committed the acts described in the Third

Amended Complaint in Northern District of Illinois Case No. 15-cv-04833. Furthermore, Schneider has a place of business in the State of Illinois, in this District, has committed, and continues to commit, acts of patent infringement in Illinois, including in this District, and transacts business in the State of Illinois, in this District.

8. Venue is proper in this District under 28 U.S.C. §§ 1391(b)-(d) and 1400(b) because Schneider is subject to personal jurisdiction in this District and has committed, and continues to commit, acts of patent infringement giving rise to the claims alleged herein within this District. Furthermore, the asserted contract was entered into by Schneider and its former subsidiary, Juno, in this District, and Schneider has breached, and continues to breach, the asserted contract in this District.

#### **THE RELATIONSHIP BETWEEN LYNK LABS, JUNO, AND SCHNEIDER**

9. Lynk Labs was founded in 1997 by Mike Miskin, who is and was President & CEO of Lynk Labs. Since its inception, Lynk Labs has been a technology pioneer, challenging industry understanding of conventional physics, beginning with technology in the area of broadband communications.

10. In 2001, Lynk Labs shifted its focus to developing intellectual property and corresponding products in the field of light emitting diodes (“LED’s”) driven by existing AC voltage sources, such as mains electricity and/or mains voltage transformers, the standard AC electric power supply from the grid. At that time, the lighting industry concentrated primarily on the development of lighting products and, more specifically, LED products, driven by DC power supplies. Typically, to power LED’s, DC power supplies were created by expensive and cumbersome semiconductor solutions that converted the AC power supplied by the mains. The conventional wisdom at the time

was that using an AC voltage source to drive an LED product was an unreliable and unworkable approach. Lynk Labs' pioneering research cut directly against that conventional wisdom, resulting in inventions now common in the industry about a decade later.

11. Lynk Labs was, and still is, a small startup in Elgin, Illinois. To commercialize its revolutionary ideas in the field of LED lighting, Lynk Labs needed additional resources. From approximately 2002 to 2006, Mr. Miskin sought a business partner, and, to that end, engaged in multiple confidential discussions, all governed by respective confidentiality agreements, with various third parties, including Juno and Schneider.

12. On January 23, 2006, in order to evaluate a potential business relationship, Lynk Labs and Juno signed a Mutual Nondisclosure Agreement (the "Agreement"), a true and correct copy of which is attached hereto as Exhibit A. The purpose of the Agreement was to prevent confidential information communicated between the parties from being misused. On information and belief, counsel at Schneider, Juno's corporate parent at the time, reviewed and approved the Agreement.

13. Section 1 of the Agreement defines confidential information as:

[A]ll information, whether written or oral, and in any form (including, without limitation, patent applications, engineering documents, research and development manuals, reports, designs, drawings, plans, flowcharts, software (in source or object code), program listings, data file printouts, printed circuit boards, methods, processes, component part listings, product information, new product plans, sales and marketing plans and/or programs, pricing information, customer lists and other customer information, financial information and employee files or other employee information) relating to either party's business or

technology which is disclosed by such party either directly or indirectly to the other party.

14. Additionally, Section 1 of the Agreement states:

In addition, Confidential Information shall also include the following information: from Lynk Labs: AC-LED Assemblies, Devices and Drive Technology.

15. Section 3 of the Agreement limits each parties use of confidential information:

The parties agree to use the Confidential Information received hereunder solely for the purpose of evaluating a business relationship.

The recipient agrees to use the Confidential Information only to the extent necessary to engage in such discussions.

16. Section 5 of the Agreement further describes the parties' obligations of maintaining confidentiality:

Each party agrees that, for a period of five (5) years from receipt of Confidential Information from the other party hereunder, it shall use the same degree of care and means that it utilizes to protect its own information of a similar nature, but in any event not less than reasonable care and means, to prevent the unauthorized use or the disclosure of such Confidential Information to third parties. The Confidential Information may be disclosed only to employees or contractors of a recipient, and the advisors, officers, directors, managers, members, stockholders and affiliates of recipient with a "need to know" who are instructed and agree not to disclose the Confidential Information and not to use the Confidential Information for any purpose, except as set forth herein[.]

17. Further, Section 5 requires:

Recipient [of confidential information] shall have appropriate written agreements with any such employees or contractors sufficient to comply with the provisions of this Agreement. A recipient may not alter, decompile, disassemble, reverse engineer, or otherwise modify any

Confidential Information received hereunder and the mingling of the Confidential Information with information of the recipient shall not affect the confidential nature or ownership of the same as stated hereunder.

18. Section 11 of Agreement provides:

The parties agree that there is no adequate remedy at law for any breach of the obligations hereunder and upon any such breach or any threat thereof by either party the other shall be entitled to appropriate equitable relief, including injunctive relief in addition to whatever other remedies it might be entitled. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees, court costs and related expenses from the other party.

19. Pursuant to Section 7 of the Agreement, the Agreement was to expire on January 23, 2007, though it requires "[t]he obligations of confidentiality set forth hereunder shall survive such expiration for a period of Five (5) years beyond any earlier termination as set forth above." However, on April 4, 2008, Lynk Labs and Juno signed a Ratification Of The Continuation And Extension of the Agreement (the "Extension"), a true and correct copy of which is attached hereto as Exhibit B. The Extension binds Lynk Labs, Juno, "its parent company and/or its subsidiaries" to its terms. As the parent company of Juno, Schneider was bound by the Agreement, and contractually obligated to honor all of its terms. The Extension states:

[The Agreement] is hereby ratified and deemed to have been continued in effect...to the present and further shall extend and continue to be effective until it now expires on January 23, 2009.

20. During the effective term of the Agreement, Lynk Labs provided confidential information to Juno and Schneider, including at least: technical knowhow concerning design and manufacture of AC-driven LED lighting products and

components, such as AC electronic drivers, AC-driven LED circuits, and AC-driven LED circuit board assemblies, that could be incorporated into LED lighting systems including, for example, linear track lighting systems; a business plan/roadmap for commercial implementation of AC-driven LED products; technical knowhow concerning various forms of AC-driven LED circuits, including design considerations concerning the proper spatial separation of LED's in LED products and parallel AC-driven LED circuit designs for modularity in LED circuit board assemblies; and the wedge-shaped emitter area of an LED circuit board assembly housing.

21. Initially, in July 2006, Schneider evaluated Lynk Labs' value with an eye towards a partnership with Lynk Labs and/or as a target for an investment. Schneider's interest in Lynk Labs and its coordinated evaluation of Lynk Labs' potential as a business partner continued throughout at least 2007. As part of such evaluation, personnel from Schneider Electric Ventures, a venture capital entity sponsored by the Schneider Electric Group, and engineers from Schneider visited Lynk Labs to evaluate them as a target for investment. Indeed, on information and belief, Schneider directed Juno's intellectual property strategy throughout that time, including their strategy with respect to Lynk Labs.

22. Subsequently, Lynk Labs and Juno/Schneider had a productive business relationship and potential for a mutually beneficial partnership. By the end of 2007, Mr. Miskin and then Lynk Labs' employee, James Andersen, assisted with design, development, and commercial implementation of a fixture that became a key element of Juno's first LED lighting product. The design, enabled by Lynk Labs' development of AC-driven technologies and the inclusion of an LED circuit board assembly designed by

Lynk Labs, allowed the fixture to be easily incorporated into Juno's existing Trac 12 lighting systems.

23. Lynk Labs also collaborated with Juno on the design of ornamental and practical features of LED lighting products marketed with the Trac 12 lighting systems, including Mr. Miskin's communication, to Juno and Schneider, of confidential information concerning the design of a wedge-shaped emitter area and other design elements in LED circuit board assembly housing, which ultimately enabled incorporation of such LED lighting products, including the fixture described in Paragraph 22, into the tracks of the Trac 12 lighting system.

24. Release of the fixture quickly led to Juno's request, of Lynk Labs, for a second-generation fixture for use in its Trac 12 lighting systems. Again, Lynk Labs collaborated with Juno, communicating and leveraging its technical knowhow concerning design and manufacture of AC-driven LED lighting products and components, including the design of a compatible circuit board assembly, to help deliver a second-generation fixture.

25. When the original fixture was set to launch, Juno forecasted sales of the fixture at approximately 30,000 pieces in 2008. Exceeding all expectations, Juno sold approximately 30,000 pieces in January of 2008 alone, ultimately purchasing a total of approximately 300,000 pieces of the original and second-generation versions of the fixture from Lynk Labs in 2008.

26. Release of the original fixture, enabled by Lynk's technical knowhow, was Juno's best-ever product launch at that time. The lighting industry took notice. In March 2008, Juno was given an award recognizing the innovation of the second-generation



fixture: Electrical Construction & Maintenance magazine declared Juno's LED linear lighting the lighting fixture of the year. A copy of the magazine's online announcement of the award is attached hereto as Exhibit C.

27. At that time, Lynk Labs reasonably expected it would flourish as a result of having been the leader and mover behind consensus revolutionary technology. Lynk Labs hoped that it would have a long partnership with Juno/Schneider and continue to supply, among other products being developed by Lynk Labs at Juno's request, the circuit board assemblies for the second-generation fixture and its later iterations. But Lynk Labs' expectations were short-lived, soon thereafter sabotaged by Schneider.

28. In or around April 2008, Lynk Labs put Juno on notice of Lynk Labs' pending patent applications concerning AC-driven LED technologies. Indeed, on April 21, 2008, David Early, then Juno's LED Program Manager, emailed multiple employees of Juno regarding the "need to discuss the use of AC [d]rivers to run the Lynk Labs modules ASAP." He warned: "Lynk [Labs] has patent applications on the technology[.]" A true and correct copy of the April 21, 2008 email is attached hereto as Exhibit D.

29. On notice that Lynk Labs was actively pursuing patent protection for its pioneering ideas in the AC-LED space, toward the middle to end of 2008, Juno demanded an exclusive license to Lynk Labs' AC-driven LED technology such that Juno could purchase components from original equipment manufacturers ("OEM's") other than Lynk Labs. Juno's purported concern was that Lynk Labs was too small to meet the market appetite for Lynk Labs' technology. To alleviate Juno's concerns, Lynk Labs consistently offered to negotiate various manufacturing alternatives, including using additional contract manufacturers approved and/or recommended by Schneider. Indeed,

Lynk Labs, at Juno's request, was already using contracted manufacturing facilities for the manufacture of products for Juno. Lynk Labs made clear that, though Lynk Labs' technologies, much of which were included in pending patent applications, were too valuable to be exclusively licensed, it was willing to consider non-exclusive licensing options to meet Juno's production needs. Lynk Labs believed its openness to arranging additional reliable manufacturing facilities and/or mutually beneficial, reasonable licensing terms would permit a continued manufacturing partnership with Juno/Schneider.

30. Despite Lynk Labs' efforts to forge a flexible partnership, the parties' relationship began to sour. By the end of 2008, Juno began purchasing significantly less product from Lynk Labs. Lynk Labs became concerned that Juno might try to misuse its confidential information and cut Lynk Labs out of the budding market.

31. For example, in or around November 2008, Charles Huber, Juno's former Senior Vice President of Engineering and Product Management, and now Lynk Labs' Vice President of Business Development, spoke with Juno management regarding his concerns about Juno's failure to abide by the confidentiality obligations in the Agreement. On November 12, 2008, Mr. Huber reaffirmed these concerns in an email to Juno's then Vice President of Product Management, a true and accurate copy of which is attached hereto as Exhibit E. Mr. Huber expressed concern about Juno's unauthorized use of Lynk Labs' confidential information in the development and production of a Juno LED circuit board assembly housing. Mr. Huber also reported that he believed that Juno had improperly sought and received design patent U.S. Patent No. D579,144 (the "144 Patent"), a true and accurate copy of which is attached hereto as Exhibit F, claiming an

exclusive right to a confidential design incorporating significant, confidential contributions from Lynk Labs.

32. By the beginning of 2009, Juno effectively ceased ordering product from Lynk Labs. The loss of such a significant customer crippled Lynk Labs' business.

33. In May 2009, Lynk Labs attended Lightfair International in New York, New York, and examined new product samples from Juno's AC-driven Trac 12 line of products. Lynk Labs was alarmed to see that Juno had continued to commercialize Lynk Labs' technology, purchasing AC-driven LED circuit board assemblies from alternate sources, including new AC-driven LED circuit board assemblies that Juno requested, and that Lynk Labs designed, prototyped, and quoted in high volume for a new product launch.

34. At Lightfair International, Lynk Labs communicated, to multiple employees of Juno, including Stacy Looney, Juno's then Vice President of Engineering, concerns about Juno's likely violations of Lynk Labs' current and pending patent rights, including patents incorporating the use of rectified circuitry as included in the displayed AC-driven Trac 12 products, and a breach of the Agreement's confidentiality obligations. On May 11, 2009, Lynk Labs reaffirmed such concerns in email, noting that "Lynk Labs has approved and pending, published and non-published IP and has shared some of this technology and know-how with Juno Lighting group under [the Agreement]." A true and correct copy of the May 11, 2009 email is attached hereto as Exhibit G.

35. On May 21, 2009, Juno, through Roland Norris, corporate counsel at Schneider, rebuffed Lynk Labs' offer to discuss Lynk Labs' concerns, and instead coldly informed Lynk Labs that it was unilaterally terminating confidential discussions pursuant

to Section 7 of the Agreement, and accordingly formally cancelling the Agreement. Moreover, on information and belief, Schneider's counsel handled all intellectual property disputes between Juno and Lynk Labs stemming from such concerns.

36. Thereafter, Lynk Labs received no further product orders from Juno. Juno's abrupt exclusion of Lynk Labs nearly destroyed Lynk Labs. For years, Lynk Labs barely managed financial feasibility, and remains in a precarious position as a consequence of Juno's actions. Juno, on the other hand, has grown, succeeding in expanding the AC-driven LED business, and, indeed, as envisioned and enabled by Lynk Labs, encouraging others in the industry to invest in AC-driven LED technologies using Lynk Labs' innovations.

37. Similarly, the lighting industry was aware of the relationship between Juno and Lynk Labs. Juno's treatment of Lynk Labs, which, on information and belief, Juno communicated to others in the lighting industry, sent a message to the industry that the industry could use Lynk Labs' technology because Lynk Labs was a startup teetering on extinction. That message seriously damaged Lynk Labs, and continues to cause Lynk Labs damage to this day.

38. As evidenced by the commercial success and industry recognition of Juno's first- and second-generation fixtures, Lynk Labs had developed revolutionary technology and had a significant first-mover advantage in the LED lighting industry. Lynk Labs had a business plan, ultimately implemented by Juno, to exploit their advantage and reap the corresponding financial reward. Instead, Lynk Labs was manipulated by Juno and crushed under the weight of the considerable resources of Juno's multi-national, multi-billion dollar former parent, Schneider.

39. On information and belief, Schneider and Juno utilized Lynk Labs' confidential information concerning the technical knowhow, design, and manufacture of AC-driven lighting products and components, and the technical knowhow concerning various forms of AC-driven LED circuits in development and production of lighting systems that incorporate AC-driven LED's, including at least: Juno's AC-driven Trac 12 line of LED lighting systems; Juno's AC-driven Trac 12/25 line of LED lighting systems; Juno's AC-driven Flex 12 Trac of LED lighting; Juno's AC-driven Solo-Task LED lighting systems; Juno's AC-driven low-voltage Mini LED recessed downlighting systems; Juno's Trac-Master 120V One Circuit System; Trac-Master 120V Two Circuit System; Juno's Trac-Master 120V Tube System; Juno's Trac-Master 120V Recessed System; and Juno's Trac-Lites One Circuit System.

40. On information and belief, Schneider and Juno followed the business plan/roadmap developed by Lynk Labs for the commercial implementation of AC-driven LED products. On information and belief, Juno and Schneider used, and Juno continues to use, the business plan/roadmap to unjustly free ride the first-mover advantage Lynk Labs had earned as a pioneer in the field, including implementation of trade secrets taught to Juno under the Agreement.

41. On information and belief, Schneider and Juno utilized confidential information concerning the proper spatial separation of LED's in the development and production of Juno's AC-driven Trac 12 line of LED lighting system, including in at least Juno's Trac 12 LED Mini-Flood fixture, despite Juno earlier requesting that Lynk Labs design and develop the circuit board assembly for the Trac 12 LED Mini-Flood fixture.

42. The confidential information concerning the proper spatial separation of LED's is described in U.S. Patent No. 8,841,855 (the '855 Patent), the details of which were not publicly disclosed in a patent application until July 2009. Upon information and belief, Juno and Schneider's utilization of such confidential information, as described in Paragraph 41, occurred prior to July 2009, giving Juno and Schneider a first-mover advantage it would not otherwise have had.

43. On information and belief, Schneider and Juno utilized confidential information concerning the wedge-shaped emitter area of an LED circuit board assembly housing in the development and production of LED fixtures incorporating such wedge-shaped emitter areas.

44. Under the direction of Schneider's legal department, Juno improperly sought patent protection over purported inventions incorporating the confidential information, representing the ideas of Mr. Miskin and Mr. Huber, communicated to Juno and Schneider, regarding a wedge-shaped emitter area design of an LED circuit board assembly housing in the '144 Patent.

45. The '144 Patent improperly incorporates such inventive contributions without naming Mr. Miskin or Mr. Huber as inventors.

46. On information and belief, Schneider and Juno utilized confidential information concerning the practical design of the LED fixture originally designed for use in tracks of the Trac 12 lighting system, by developing and producing LED fixtures incorporating such design.

47. Under the direction of Schneider's legal department, Juno improperly sought patent protection over purported inventions incorporating the confidential

information, representing the ideas of Mr. Miskin and Mr. Andersen that were communicated to Juno and Schneider, regarding the practical design of the LED fixture originally designed for use in tracks of the Trac 12 lighting system, as described, for example, in Paragraphs 24 through 26. These ideas are described and claimed in U.S. Patent No. 7,909,499 (the “’499 Patent”).

48. The ’499 Patent improperly incorporates such inventive contributions without naming Mr. Miskin or Mr. Andersen as inventors.

49. Under the direction of Schneider’s legal department, Juno improperly sought patent protection over purported inventions incorporating the confidential information, representing the ideas of Mr. Miskin and Mr. Andersen that was communicated to Juno and Schneider, regarding the design of LED circuit board assemblies and their incorporation into the tracks of track lighting systems in U.S. Patent No. 9,121,597 (the “’597 Patent”).

50. The ’597 Patent improperly incorporates such inventive contributions without naming Mr. Miskin or Mr. Andersen as inventors.

51. On information and belief, Schneider and Juno utilized confidential information concerning the design of LED circuit board assemblies and their incorporation into the tracks of track lighting systems, by developing and producing LED lighting systems, PCB’s, and modules incorporating such design.

52. The information to which Juno and Schneider were exposed is of great value not only to Lynk Labs, but also to its competitors who did not, and do not, possess, or have access to, such information. For this reason, Lynk Labs takes reasonable steps to ensure that its information stays confidential. Such measures include regular use of

confidentiality agreements when sharing confidential information with third parties, and provision of such information only on need-to-know bases.

53. On information and belief, Juno has included indemnification provisions in its agreements with third party OEM's because of third party concerns regarding the violation of Lynk Labs' intellectual property.

54. On information and belief, Juno and/or Schneider retained the services of an investment bank in order to sell Juno. On information and belief, on or around December 10, 2015, Acuity Brands Lighting, Inc. acquired all equity interests of Juno Lighting LLC and, on information and belief, Juno Lighting LLC may no longer exist as a liability company. On May 11, 2016, Schneider's counsel told Lynk Labs' counsel that all liability for Lynk's claims against Juno prior to the sale of Juno from Schneider to Acuity was accrued by Juno.

55. On May 2, 2016, Lynk Labs provided counsel for Juno/Acuity/Schneider a prior version of this First Amended Complaint that incorporated infringement allegations asserting the same patents against the same products accused of infringement herein. .

56. On information and belief, a significant part of the value paid for Juno was attributable to Juno's use and commercialization of Lynk Labs' confidential information and intellectual property. Had Lynk Labs been able to fully enjoy its first-mover advantage, Lynk Labs, rather than Juno, would be in the position of selling itself at a significant premium.

57. On information and belief, many of Schneider's executives had comparable professional responsibilities at Juno at all times relevant to this litigation until Juno's sale in December 2015. For example, Amy Huntington served as both the



President and Chief Executive Officer of both Juno Lighting Group and Schneider. As another example, Laurent Vernery, Schneider's Executive Vice President of North American Operations, concurrently served as an officer of Juno Lighting, LLC. Moreover, many officers of Juno Lighting, LLC and Juno Manufacturing, LLC shared a corporate address with Schneider's headquarters in Palatine, Illinois.

## **THE PATENTS-IN-SUIT**

### *Lynk Labs' Patents*

58. On April 3, 2012, U.S. Patent No. 8,148,905 (the "'905 Patent"), entitled "AC LIGHT EMITTING DIODE AND AC LED DRIVE METHODS AND APPARATUS," duly and legally issued. A true and correct copy of the '905 Patent is attached hereto as Exhibit H.

59. On September 10, 2013, U.S. Patent No. 8,531,118 (the "'118 Patent"), entitled "AC LIGHT EMITTING DIODE AND AC LED DRIVE METHODS AND APPARATUS," duly and legally issued. A true and correct copy of the '118 Patent is attached hereto as Exhibit I.

60. On September 23, 2014, U.S. Patent No. 8,841,855, entitled "LED CIRCUITS AND ASSEMBLIES," duly and legally issued. A true and correct copy of the '855 Patent is attached hereto as Exhibit J.

61. Lynk Labs owns all rights, title, and interest in and to the '905, '118, and '855 Patents and has the right to sue and recover for past, present, and future infringement.

*Knowledge of Lynk Labs' Patents*

62. As discussed above, Lynk Labs provided notice to Juno around 2008 that it had sought and was seeking broad patent protection on its technological innovations, some of which are reflected in the '118, '855 and '905 Patents. At that time, Lynk Labs gave Juno notice that it was using technology that would be covered by U.S. Patent claims. On information and belief, Juno and/or its former corporate parent Schneider has/have kept track of Lynk Labs' patent portfolio including the '118, '855 and '905 Patents.

63. Likewise, on information and belief, third party suppliers of Juno have requested, and have been granted, indemnification regarding Lynk Labs' patent position. On information and belief, Juno and/or Schneider have continued to analyze Lynk Labs' portfolio, including the '118, '855 and '905 Patents, as a result of such requests for indemnification.

64. Lynk Labs routinely issues press releases in leading lighting industry magazines, including LEDs Magazine and Solid State Technology Magazine, notifying the industry when a new Lynk Labs' patent issues relevant to Lynk Labs' product offerings and/or the LED lighting industry.

65. In December 2013, about one month after approval of the '118 Patent, Lynk Labs announced such approval in Solid State Technology magazine, notifying the industry that the '118 Patent encompasses "vertical market segments of AC LED technology from the core AC LED circuits and powering methods to the lighting system level."

66. On information and belief, personnel at Juno and Schneider read Lynk Labs' press releases, including press releases associated with the '118 Patent. For example, on February 10, 2009, the date of publication of Juno's U.S. Patent No. 7,489,086, titled "AC LIGHT EMITTING DIODE AND AC LED DRIVE METHODS AND APPARATUS," Lynk Labs emailed Juno a link of an LEDs Magazine article announcing such issuance. On that same day, Juno's then Vice President of Product Management responded via email, congratulating Lynk Labs and noting he would "be reading it over to see all of the details." A true and correct copy of the email exchange is attached hereto as Exhibit K.

67. In 2014, its business having been effectively destroyed by Juno and Schneider, Lynk Labs considered selling some or all of its valuable patent portfolio. Lynk Labs hired Aqua Licensing LLC ("Aqua") to advise and present offerings for purchase of Lynk Labs' patent portfolio. Aqua delivered emails to potential purchasers with bidding instructions for the Lynk Labs' offering. Among other materials, the email included access to an Offering Memorandum enumerating, as part of the offered patent portfolio: the issued '905 Patent, issued '118 Patent, and the pending application for the '855 Patent.

68. On February 28, 2014, Aqua, on behalf of Lynk Labs, emailed John Mabbott, then and current President and CEO of Juno, the bidding instructions for Lynk Labs' offering. A true and correct copy of the email is attached hereto as Exhibit L. Moreover, the memorandum offered analysis of representative claims of the '118 Patent, and specifically identified LED lighting products and systems, many of which were and

are made and sold by Juno, as infringing the '118 Patent. Mr. Mabbott later responded via telephone that Juno was not interested in acquisition of Lynk Labs' patent portfolio.

69. On information and belief, all information described in Paragraphs 28, 34, 55, and 62-68 was, if not directly communicated to Schneider by Lynk Labs, communicated by employees at Juno to employees at Schneider, including but not limited to communication to Schneider's counsel.

#### **COUNT I – INFRINGEMENT OF THE '118 PATENT**

70. Paragraphs 1 through 69 are incorporated by reference as though fully stated herein.

##### *Schneider's Sale of Juno Products*

71. Schneider manufactures, uses, offers for sale, sells, and exports LED lighting systems driven by AC electronic transformers. On information and belief, such lighting systems include the following Juno line of lighting systems: its AC-driven Trac 12 line of LED lighting systems (the "Trac 12 Product Systems"); its AC-driven Trac 12/25 line of LED lighting systems (the "Trac 12/25 Product Systems"); its AC-driven Flex 12 Trac of LED lighting systems (the "Flex 12 Product Systems") (together with the Trac 12 and Trac 12/25 Product Systems, the "Low Voltage Trac Systems"); its AC-driven Solo-Task LED lighting systems (the "Solo-Task Product Systems"); and its AC-driven low-voltage Mini LED recessed downlighting systems (the "Downlighting Product Systems") (collectively, the "Low Voltage Systems").

72. On information and belief, the Solo-Task Product Systems include at least the following compatible fixtures: Solo-Task LED Luminaires.

73. On information and belief, the Downlighting Product Systems include at least the following compatible fixtures: Mini LED Downlights and Gimbals.

74. On information and belief, Schneider manufactures, uses, offers for sale, sells, and exports components of the Low Voltage Systems, including AC electronic transformers for LED circuits, LED circuit board assemblies, LED circuit board assembly housing, corresponding compatible circuitry, and components thereof. On information and belief, Schneider manufactures, uses, offers for sale, sells, and exports components of the Low Voltage Trac Systems, including lighting tracks (“Low Voltage Systems Tracks”).

75. On information and belief, certain variations of the Trac 12 and Trac 12/25 Product Systems include systems that incorporate at least one LED circuit having at least one LED, driven by an AC electronic transformer, to or from which at least one additional LED circuit can be seamlessly added or removed (“Directly Infringing Trac 12 Systems”). Such Directly Infringing Trac 12 Systems include at least those incorporating compatible variations of the following fixtures: Color LED Linear Module; LED Mini Flood; Low Power LED Module Series; WarmDim LED Linear Lighting Modules; QJ LED Mini Cylinder Display/Picture Horizontal; QJ LED Mini Cylinder Display/Picture Vertical; Quick Jack LED Spot Light – Reno Series; Quick Jack LED Spot Light – Vegas Series; Cylindra 13W LED Spotlight Series; LED Mini-Cylindra Spotlight Gen 2; TL261L Conix II; Dolce Series Pendants; Medium Dome Series Pendants; Tear Drop Glass Series Pendants; Charlotte Series Pendants; Fargo Glass Series Pendants; Long Cone Glass Series Pendants; Medium Cylinder Series Pendants; Onyx Series Pendants; Tube Glass Series Pendants; Cylinder Glass Shade Pendants; Quick Jack 6W LED

Cylinder Mini-Pendant Series; Cylinder LED Mini-Pendant Series; Flute LED Mini-Pendant Series; LED Pendant Cordset Series; and Quick Jack LED Pendant Cordset Series.

76. On information and belief, components of the Trac 12 and Trac 12/25 Product Systems, including LED circuit board assemblies and housing, are often incorporated into fixtures, also manufactured, used, offered for sale, sold, and exported by Schneider, that are compatible with the Trac 12 and Trac 12/25 Product Systems and compatible with, but not offered for sale, sold, or exported with, LED bulbs (“Trac 12 System Fixtures”), including at least LED-compatible variations of the following fixtures: Festoon Lamp Holders; Rigid Loop Lamp Holders; Wedge Base Single Lamp Holders; Wedge Base Double Lamp Holders; Arc 16; Concentricity 16; Cone 16; Gimbal 16; Lily 16; Disc Shade Pendant; Ellipse Shade Pendant; Flame Glass Shade Pendant; Flute Metal Shade Pendant; RLM Glass Shade Pendant; Short Cone Glass Shade Pendant; Tall Cone Glass Shade Pendant; Flute Glass Shade Short Cone; Teardrop Glass Shade Pendant; Wrap Shade Pendant; and Tall Dome Series Pendant.

77. On information and belief, certain variations of the Flex 12 Product Systems include systems that incorporate at least one LED circuit having at least one LED, driven by an AC electronic transformer, to or from which at least one additional LED circuit can be seamlessly added or removed (“Directly Infringing Flex 12 Systems”) (together with Directly Infringing Trac 12 Systems, Solo-Task Product Systems, and Downlighting Product Systems, “Directly Infringing Low Voltage Systems”). Such Directly Infringing Flex 12 Systems include at least those incorporating compatible variations of the following fixtures: Cylindra LED; MR11 LED Spotlight; Quick Jack

LED Spot Light Reno Series; Quick Jack LED Spot Light Vegas Series; TF261L Conix II LED; Dolce Series Pendant; Medium Dome Series Pendant; Tear Drop Glass Series Pendant; Charlotte Series Pendant; Fargo Glass Series Pendant; Long Cone Glass Series Pendant; Medium Cylinder Series Pendant; Onyx Series Pendant; Tube Glass Series Pendant; Cylinder Glass Shade Pendant; Quick Jack 6W LED Cylinder Mini-Pendant Series; Cylinder LED Mini-Pendant Series; Flute LED Mini-Pendant Series; Flute Glass Shade Short Cone Metal; LED Pendant Cordset Series; Quick Jack LED Pendant Cordset; LED Mini-Pendant Cylinder Series; and LED Mini-Pendant Flute Series.

78. On information and belief, components of the Flex 12 Product Systems, including LED circuit board assemblies and housing, are often incorporated into fixtures, also manufactured, used, offered for sale, sold, and exported by Schneider, that are compatible with the Flex 12 Product Systems and compatible with, but not offered for sale, sold, or exported with, LED bulbs (“Flex 12 System Fixtures”) (together with Trac 12 System Fixtures, “Low Voltage Trac Systems Fixtures”), including at least LED-compatible variations of at least the following fixtures: Arc 16; Concentricity 16; Gimbal 16; Lily 16; Cone 16; Disc Shade Pendant; Ellipse Shade Pendant; Flame Glass Shade Pendant; Flute Metal Shade Pendant; RLM Glass Shade Pendant; Short Cone Glass Shade Pendant; Tall Cone Glass Shade Pendant; Teardrop Glass Shade Pendant; Wrap Shade Pendant; and Tall Dome Series Pendant.

79. Schneider manufactures, uses, offers for sale, sells, and exports AC-driven lighting systems that are compatible with LED fixtures. On information and belief, such AC-driven lighting systems include the following Juno-branded systems: Trac-Master 120V One Circuit System; Trac-Master 120V Two Circuit System; Trac-Master 120V

Tube System; Trac-Master 120V Recessed System; and Trac-Lites One Circuit System (collectively, the “High Voltage Systems”).

80. On information and belief, Schneider manufactures, uses, offers for sale, sells, and exports components of the High Voltage Systems that enable compatibility with LED lighting products and components, including AC electronic transformers for LED circuits, lighting tracks, LED circuit board assemblies, LED circuit board assembly housing, corresponding compatible circuitry, and components thereof.

81. On information and belief, many such components are often incorporated into fixtures, also manufactured, used, offered for sale, sold, and exported by Schneider, compatible with the High Voltage Systems, compatible with an integrated AC electronic transformer, and compatible with, but not offered for sale, sold, or exported with, LED bulbs (“High Voltage Systems Fixtures”), including LED-compatible variations of at least the following fixtures: Cylindra Low Voltage MR16; Arc 16; Concentricity 16 Series; Cone 16; Gimbal 16; Lily 16; Conix Low Voltage MR16; Cast 16; Cone Low Voltage MR 16; Cubix Low Voltage MR16; Delta 200 Low Voltage MR16; Delta 200 Pendant Low Voltage MR16; Facet Low Voltage MR16; FlyBack Low Voltage MR16; Framing Projector Low Voltage MR16; Glacis Low Voltage MR16; Mamba Low Voltage MR16; Mini-Round Back Low Voltage MR16; Notch Back Low Voltage MR16; Open Back Gimbal Low Voltage MR 16 Series; Orb Low Voltage MR16; Pendant Notch Back Low Voltage MR16; Straps Low Voltage MR16; Studio I Low Voltage MR16; Studio II Low Voltage MR16; Theatrical Light Low Voltage MR16; Wireforms Low Voltage MR16; Wishbone Low Voltage MR16; Xanadu Low Voltage MR16; Gyrus Low Voltage MR16; Trapezia Low Voltage MR16; Dart Low Voltage MR11; Disc Shade



Pendant; Ellipse Shade Pendant; Flame Glass Shade Pendant; Flute Metal Shade Pendant; RLM Glass Shade Pendant; Short Cone Glass Shade Pendant; Tall Cone Glass Shade Pendant; Teardrop Glass Shade Pendant; and Wrap Shade Pendant.

82. On information and belief, Schneider manufactures, uses, offers for sale, sells, and exports lighting systems that are compatible with LED fixtures driven by a self-contained AC electronic transformer. On information and belief, such lighting systems include at least the High Voltage Systems.

83. On information and belief, Schneider manufactures, uses, offers for sale, sells, and exports LED fixtures driven by a self-contained electronic transformer, in variations compatible with each of the High Voltage Systems, that include circuits that incorporate at least one LED circuit having at least one LED, driven by an AC electronic transformer, to or from which at least one additional LED circuit can be seamlessly added or removed (“Track Heads”), including LED-compatible variations of at least the following fixtures: Dolce Series Pendant; Medium Dome Series Pendant; Tear Drop Glass Series Pendant; Charlotte Series Pendant; Fargo Glass Series Pendant; Long Cone Glass Series Pendant; Medium Cylinder Series Pendant; Onyx Series Pendant; Tube Glass Series Pendant; and Cylinder Glass Shade Pendant; Quick Jack LED Cylinder Mini-Pendant Series; and Quick Jack LED Flute Mini-Pendant Series.

*Direct Infringement*

84. On information and belief, the Directly Infringing Low Voltage Systems and Track Heads (collectively, the “Directly Infringing Systems”) directly infringe the ’118 Patent.

85. By manufacturing, using, offering for sale, selling, and exporting the Directly Infringing Systems, Schneider has directly infringed, and continues to directly infringe, either literally or under the doctrine of equivalents, at least all claims of the '118 Patent in violation of 35 U.S.C. § 271.

86. On information and belief, Schneider has willfully infringed and continues to willfully infringe the '118 Patent because it either knew or should have known that there was an objectively high risk of infringement by manufacturing, using, offering to sell, and/or selling the claimed systems and/or their components in the United States without authority because Lynk Labs, as described in Paragraphs 28 and 62, at least as early as April 2008, had notified Juno of its pursuit of patent protection for AC-driven LED technologies. Moreover, as described in Paragraphs, 34, 65, and 67-68, Lynk Labs: notified Juno of its patent position in May 2009; issued a December 2013 press release announcing the issuance of the '118 Patent; and included the '118 Patent in its February 2014 Offering Memorandum to Juno which specifically identified the type of products made and sold by Juno as infringing the '118 Patent. Additionally, Lynk Labs asserted the '118 Patent by filing and serving the original Complaint on Juno in a corresponding Northern District of Illinois case, Case No. 15-cv-04833. Lynk Labs also notified Schneider of its assertion of the '118 Patent by filing and serving on Schneider the First Amended Complaint in the corresponding 15-cv-04833 case on September 28, 2015. Moreover, on April 5, 2016, Juno and Schneider's counsel received from Lynk Labs' counsel a draft Third Amended Complaint in the corresponding 15-cv-4833 case asserting the '118 Patent against Juno and Schneider and alleging infringement of all the products named herein.

87. Schneider has received repeated and significant warnings from both Lynk Labs and third parties – for example, third parties seeking indemnification – that it could not market its products without a license from Lynk Labs, including those listed in Paragraph 86. Juno originally sought a license from Lynk Labs for AC-driven LED technology. Indeed, as described in Paragraphs 62-63 and 65-66 Juno: thoroughly researched the contents of the '118 Patent specification in February 2009; was told by Lynk Labs in May 2009 that it was violating Lynk Lab's patent rights; and read a December 2013 press release regarding the '118 Patent. On information and belief, after having analyzed the '118 Patent claims, Juno and Schneider have infringed the '118 Patent despite knowing that there was an objectively high risk of patent infringement.

88. As illustrated by Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding intellectual property strategy pertaining to Lynk Labs. For this reason, all events notifying Juno described in Paragraphs 86 and 87 also notified Schneider on or around the same dates.

*Indirect Infringement*

89. On information and belief, Schneider indirectly infringes the '118 Patent by actively inducing and/or contributing to the infringement of others engaging in direct infringement.

90. On information and belief, Schneider had actual knowledge of the '118 Patent no later than Juno's February 28, 2014 receipt of Aqua's Offering Memorandum, and likely much earlier, as described in Paragraphs 28, 34, 55, and 62-69. Moreover,

Juno had knowledge of confidential matter incorporated in the '118 Patent at least as early as the end of 2007, when Lynk Labs shared such information during the product design and development described in Paragraphs 22-24.

91. As illustrated by Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding intellectual property strategy pertaining to Lynk Labs. For this reason, all events providing actual knowledge of the '118 Patent to Juno also provided such actual knowledge to Schneider.

92. On information and belief, Schneider had actual knowledge that its inducement of infringement and contributory infringement resulted in direct infringement of the '118 Patent by: electrical distributors; contractors; lighting showrooms; and retailers (together with lighting showrooms, "Retailers"), including, for example, The Home Depot; and end users of AC-driven LED lighting systems. On information and belief, Juno had a long-standing business arrangement with Schneider whereby Juno sold Schneider components of, or entire, infringing systems and Schneider manufactured, used, offered for sale, sold, and exported such systems.

#### *Inducement*

93. On information and belief, Schneider induced, and continues to induce, infringement of the '118 Patent in violation of 35 U.S.C. § 271(b), without authority, and despite knowing such behavior will result in infringement of the '118 Patent by: encouraging its third party OEM's to make and/or use components of the claimed system, including AC electronic transformers for LED circuits, Low Voltage Systems Tracks,

Low Voltage Trac Systems Fixtures, and High Voltage Systems Fixtures (the “Material Components”), which may be used in connection with the Directly Infringing Systems and other directly infringing third party LED lighting systems; and selling components, including Material Components, which may be used in connection with the Directly Infringing Systems and other directly infringing third party LED lighting systems. On information and belief, Schneider also induced, and continues to induce, infringement of the ’118 Patent by encouraging Juno to make, use, and/or sell components of the claimed system, including the Material Components.

94. On information and belief, such third party OEM’s sold, and continue to sell, Material Components to: electrical distributors that offer to sell and sell the Directly Infringing Systems and other directly infringing third party LED lighting systems; contractors that offer to sell, sell, and use the Directly Infringing Systems and other directly infringing third party LED lighting systems; and Retailers that offer to sell, sell, and use the Directly Infringing Systems and other directly infringing third party LED lighting systems. For example, on information and belief, Schneider encourages Hatch, Norlux, and Citizen to produce and sell, respectively, AC electronic drivers, LED circuit board assemblies, and LED circuit board assemblies. In that event, Schneider induces direct infringement by electrical distributors, contractors, and Retailers, as described above, and other end users of such systems.

95. On information and belief, such third party OEM’s sold, and continue to sell, Material Components to: electrical distributors that offer to sell and sell Material Components to end users of the Directly Infringing Systems and other directly infringing third party LED lighting systems; contractors that offer to sell and sell Material

Components to end users of the Directly Infringing Systems and other directly infringing third party LED lighting systems; and Retailers that offer to sell and sell Material Components to end users of the Directly Infringing Systems and other directly infringing third party LED lighting systems. For example, Schneider encourages Hatch, Norlux, and Citizen to produce and sell, respectively, AC electronic drivers, LED circuit board assemblies, and LED circuit board assemblies. In that event, Schneider induces direct infringement by end users of such systems.

96. On information and belief, Schneider sold, and continues to sell, components, such as Material Components, to: electrical distributors that offer to sell and sell the Directly Infringing Systems and other directly infringing third party LED lighting systems; contractors that offer to sell, sell, and use the Directly Infringing Systems and other directly infringing third party LED lighting systems; and Retailers that offer to sell, sell, and use the Directly Infringing Systems and other directly infringing third party LED lighting systems. In that event, Schneider induces direct infringement by electrical distributors, contractors, and Retailers, as described above, and other end users of such systems.

97. Schneider's acts of encouragement of end user direct infringement include: providing Material Components to contractors and Retailers, and intending such parties use, or other end users use, the Directly Infringing Systems and other directly infringing third party LED lighting systems; providing Material Components to electrical distributors, contractors, and Retailers, and intending such parties sell the Directly Infringing Systems and other directly infringing third party LED lighting systems; and providing instruction manuals, brochures, presentations, and information to the public for

the Directly Infringing Systems and other directly infringing third party LED lighting systems that promote and/or demonstrate use of the Material Components, Directly Infringing Systems, and other directly infringing third party LED lighting systems in a manner that infringes one or more claims of the '118 Patent either literally or under the doctrine of equivalents.

98. Schneider formed a specific intent to infringe the '118 Patent at least when Juno, for example, agreed to indemnify its third party OEM's against infringement claims brought by Lynk Labs and, in all events, no later than the February 28, 2014, patent portfolio offering to Juno, as described in Paragraphs 67-68, or the filing, and service on Schneider, of the First Amended Complaint in Northern District of Illinois Case No. 15-cv-4833 on September 28, 2015.

*Contributory Infringement*

99. On information and belief, Schneider has contributorily infringed, and continues to contributorily infringe, the '118 Patent by offering to sell and selling in the United States, components of the invention claimed by the '118 Patent, including Material Components, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of the '118 Patent, and not staples, articles, or commodities of commerce suitable for substantial noninfringing use.

100. On information and belief, Schneider sells components, such as Material Components, to electrical distributors, contractors, and Retailers, which may be used in connection with the Directly Infringing Systems or other directly infringing third party LED lighting systems, despite knowing that such components will result in infringement

of the '118 Patent. In that event, Schneider contributes to the direct infringement of the '118 Patent, including: electrical distributors that offer to sell and sell the Directly Infringing Systems and other directly infringing third party LED lighting systems; contractors that offer to sell, sell, and use the Directly Infringing Systems and other directly infringing third party LED lighting systems; Retailers that offer to sell, sell, and use the Directly Infringing Systems and other directly infringing third party LED lighting systems; and other end users of the Directly Infringing Systems and other directly infringing third party LED lighting systems.

101. The Material Components constitute material parts of the '118 Patent.

102. On information and belief, Schneider knew, and knows, that AC electronic transformers for LED circuits, Low Voltage Systems Tracks, Low Voltage Trac Systems Fixtures, and High Voltage Systems Fixtures have no substantial noninfringing uses. The AC electronic drivers for LED circuits were specifically designed as components of AC-driven circuits that infringe the '118 Patent. Indeed, the first generation of such AC electronic drivers were specifically designed and developed by Lynk Labs, at Juno's request, for use in lighting systems that infringe the '118 Patent. The Low Voltage Systems Tracks and Low Voltage Trac Systems Fixtures are designed and marketed specifically for compatibility with the Directly Infringing Low Voltage Systems. The High Voltage Systems Fixtures are designed and marketed for use with directly infringing systems.

*Notice & Marking*

103. Lynk Labs gave notice of infringement pursuant to 35 U.S.C. § 287(a), as described in Paragraphs 28 and 62, at least as early as April 2008, when Lynk Labs



notified Juno of its pursuit of patent protection for AC-driven LED technologies. Moreover, as described in Paragraphs, 34, 65, and 67-68, Lynk Labs: notified Juno of its patent position in May 2009; issued a December 2013 press release announcing the issuance of the '118 Patent; and included the '118 Patent in its February 2014 Offering Memorandum to Juno which specifically identified the type of products made and sold by Juno as infringing the '118 Patent. Additionally, Lynk Labs asserted the '118 Patent by filing and serving the original Complaint on Juno in a corresponding Northern District of Illinois case, Case No. 15-cv-04833. Lynk Labs also notified Schneider of its assertion of the '118 Patent by filing and serving on Schneider the First Amended Complaint in the corresponding 15-cv-04833 case on September 28, 2015. Moreover, on April 5, 2016, Juno and Schneider's counsel received from Lynk Labs' counsel a draft Third Amended Complaint in the corresponding 15-cv-4833 case asserting the '118 Patent against Juno and Schneider and alleging infringement of all the products named herein. Additionally, Lynk Labs provides notice of infringement by serving this Complaint on Schneider.

104. As described in Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding intellectual property strategy pertaining to Lynk Labs. For this reason, all events providing notice of the '118 Patent to Juno also provided such notice to Schneider.

105. Lynk Labs has complied with the marking requirements of 35 U.S.C. § 287 with respect to the '118 Patent.

*Damage*

106. Lynk Labs has been damaged and irreparably harmed by Schneider's direct and indirect infringement of the '118 Patent, and will continue to be damaged and irreparably harmed absent relief.

**COUNT II – INFRINGEMENT OF THE '855 PATENT**

107. Paragraphs 1 through 106 are incorporated by reference as though fully stated herein.

*Schneider's Sale of Juno Products*

108. Schneider manufactures, uses, offers for sale, sells, and exports AC-driven LED lighting systems, including the Juno-branded Trac 12 Product Systems. The Trac 12 Product Systems include lighting systems incorporating the LED Mini-Flood Fixture (the "Mini-Flood").

109. Schneider manufactures, uses, offers for sale, sells, and exports the Mini-Flood.

*Direct Infringement*

110. On information and belief, the Mini-Flood directly infringes the '855 Patent.

111. By manufacturing, using, offering for sale, selling, and exporting the Mini-Flood, Schneider has directly infringed, and continues to directly infringe, either literally or under the doctrine of equivalents, at least claim 1 of the '855 Patent in violation of 35 U.S.C. § 271.

*Notice & Marking*

112. Lynk Labs gave notice of infringement pursuant to 35 U.S.C. § 287(a), on June 1, 2015, by filing Northern District of Illinois Case No. 15-cv-04833 and serving the original Complaint on Juno. As described in Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding intellectual property strategy pertaining to Lynk Labs. For this reason, notice of infringement was also given to Schneider on or around June 1, 2015. Additionally, Lynk Labs notified Schneider of its assertion of the '855 Patent at least by filing and serving on Schneider the First Amended Complaint in Case No. 15-cv-04833 on September 28, 2015. Moreover, on April 5, 2016, Juno and Schneider's counsel received from Lynk Labs' counsel a draft Third Amended Complaint in the corresponding 15-cv-4833 case asserting the '855 Patent against Juno and Schneider and alleging infringement of all the products named herein. Finally, Lynk Labs gives Schneider notice of infringement by serving this Complaint.

113. Lynk Labs has complied with the marking requirements of 35 U.S.C. § 287 with respect to the '855 Patent.

*Damage*

114. Lynk Labs has been damaged and irreparably harmed by Schneider's direct infringement of the '855 Patent, and will continue to be damaged and irreparably harmed absent relief.

### **COUNT III – INFRINGEMENT OF THE '905 PATENT**

115. Paragraphs 1 through 114 are incorporated by reference as though fully stated herein.

#### *Schneider's Sale of Juno Products*

116. Schneider manufactures, uses, offers for sale, sells, and exports AC-driven LED lighting systems driven by AC electronic transformers.

117. On information and belief, such lighting systems include at least the Juno-branded Solo-Task Product Systems.

#### *Direct Infringement*

118. On information and belief, the Solo-Task Product Systems directly infringe the '905 Patent.

119. By manufacturing, using, offering for sale, selling, and exporting the Solo-Task Product Systems, Schneider has directly infringed, and continues to directly infringe, either literally or under the doctrine of equivalents, at least claim 1 of the '905 Patent in violation of 35 U.S.C. § 271.

120. On information and belief, Schneider has willfully infringed and continues to willfully infringe the '905 Patent because it either knew or should have known that there was an objectively high risk of infringement by making, using, offering to sell, and/or selling the claimed system or its components in the United States without authority because Lynk Labs, as described in Paragraphs 28 and 62, at least as early as April 2008, had notified Juno of its pursuit of patent protection for AC-driven LED technologies. Moreover, as described in Paragraphs, 34 and 67-68, Lynk Labs: notified Juno of its patent position in May 2009; and included the '905 Patent in its February 2014

Offering Memorandum to Juno which identified classes of LED lighting products and systems related to claims of the '905 Patent. Additionally, on April 5, 2016, Juno and Schneider's counsel received from Lynk Labs' counsel a draft Third Amended Complaint in the corresponding 15-cv-4833 case asserting the '905 Patent against Juno and Schneider and alleging infringement of all the products named herein. Finally, Lynk Labs provides notice of infringement by serving this Complaint on Schneider.

121. Schneider has received repeated and significant warnings from Lynk Labs and third parties – for example, third parties seeking indemnification – that it could not market its products without a license from Lynk Labs, including those described in Paragraph 120. Juno originally sought a license from Lynk Labs for AC-driven LED technology as described in Paragraph 29. Moreover, as illustrated by Paragraphs 28, 34, and 62-69, Juno and Schneider are likely well aware of, and have analyzed, the '905 Patent claims. On information and belief, after having analyzed the '905 Patent claims, Juno and Schneider infringed the '905 Patent despite knowing that there was an objectively high risk of patent infringement.

122. As described in Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding intellectual property strategy pertaining to Lynk Labs. For this reason, all events notifying Juno described in Paragraphs 120 and 121 also notified Schneider on or around the same dates.

*Indirect Infringement*

123. On information and belief, Schneider indirectly infringes the '905 Patent by actively inducing and/or contributing to the infringement of others engaging in direct infringement.

124. On information and belief, Schneider had actual knowledge of the '905 Patent no later than Juno's February 28, 2014 receipt of Aqua's Offering Memorandum, and likely much earlier, as described in Paragraphs 28, 34, 55, and 62-69.

125. As illustrated by Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding intellectual property strategy pertaining to Lynk Labs. For this reason, all events providing actual knowledge of the '905 Patent to Juno also provided such actual knowledge to Schneider.

126. On information and belief, Schneider had actual knowledge that its inducement of infringement and contributory infringement resulted in direct infringement of the '905 Patent by: electrical distributors; contractors; lighting showrooms; and retailers, including, for example, The Home Depot; and end users of AC-driven LED lighting systems.

127. On information and belief, Juno had a long-standing business arrangement with Schneider whereby Juno sold to Schneider components of, or entire, infringing systems and Schneider manufactured, used, offered for sale, sold, and exported such systems.

*Inducement*

128. On information and belief, Schneider induced, and continues to induce, infringement of the '905 Patent in violation of 35 U.S.C. § 271(b) by, without authority, and despite knowing such behavior will result in infringement of the '905 Patent by: encouraging its third party OEM's to make and/or use components of the claimed system, including AC electronic transformers for LED circuits and Solo-Task LED Luminaires, which may be used in connection with the Solo-Task Product Systems and other directly infringing third party LED lighting systems; and selling components, including AC electronic transformers for LED circuits and Solo-Task LED Luminaires, which may be used in connection with the Solo-Task Product Systems and other directly infringing third party LED lighting systems. On information and belief, Schneider also induced, and continues to induce, infringement of the '905 Patent by encouraging Juno to make, use, and/or sell components of the claimed system, including AC electronic transformers and Solo-Task LED Luminaires.

129. On information and belief, such third party OEM's sold, and continue to sell, AC electronic transformers and Solo-Task LED Luminaires to: electrical distributors that offer to sell and sell the Solo-Task Product Systems and other directly infringing third party LED lighting systems; contractors that offer to sell, sell, and use the Solo-Task Product Systems and other directly infringing third party LED lighting systems; and Retailers that offer to sell, sell, and use the Solo-Task Product Systems and other directly infringing third party LED lighting systems. For example, on information and belief, Schneider encourages Hatch, Norlux, and Citizen to produce and sell, respectively, AC electronic drivers, LED circuit board assemblies, and LED circuit board assemblies. In

that event, Schneider induces direct infringement by electrical distributors, contractors, and Retailers, as described above, and other end users of such systems.

130. On information and belief, such third party OEM's sold, and continue to sell, AC electronic transformers and Solo-Task LED Luminaires to: electrical distributors that offer to sell and sell AC electronic transformers and Solo-Task LED Luminaires to end users of the Solo-Task Product Systems and other directly infringing third party LED lighting systems; contractors that offer to sell and sell AC electronic transformers and Solo-Task LED Luminaires to end users of the Solo-Task Product Systems and other directly infringing third party LED lighting systems; and Retailers that offer to sell and sell AC electronic transformers and Solo-Task LED Luminaires to end users of the Solo-Task Product Systems and other directly infringing third party LED lighting systems. For example, on information and belief, Schneider encourages Hatch, Norlux, and Citizen to produce and sell, respectively, AC electronic drivers, LED circuit board assemblies, and LED circuit board assemblies. In that event, Schneider induces direct infringement by end users of such systems.

131. On information and belief, Schneider sold, and continues to sell, components, such as AC electronic transformers and Solo-Task LED Luminaires, to: electrical distributors that offer to sell and sell the Solo-Task Product Systems and other directly infringing third party LED lighting systems; contractors that offer to sell, sell, and use the Solo-Task Product Systems and other directly infringing third party LED lighting systems; and Retailers that offer to sell, sell, and use the Solo-Task Product Systems and other directly infringing third party LED lighting systems. In that event,



Schneider induces direct infringement by electrical distributors, contractors, and Retailers, as described above, and other end users of such systems.

132. Schneider's acts of encouragement of end user direct infringement include: providing AC electronic transformers and Solo-Task LED Luminaires to contractors and Retailers, and intending such parties use, or other end users use, the Solo-Task Product Systems and other directly infringing third party LED lighting systems; providing AC electronic transformers and Solo-Task LED Luminaires to electrical distributors, contractors, and Retailers, and intending such parties sell the Solo-Task Product Systems and other directly infringing third party LED lighting systems; and providing instruction manuals, brochures, presentations, and information to the public for the Solo-Task Product Systems and other directly infringing third party LED lighting systems that promote and/or demonstrate use of the AC electronic transformers and Solo-Task LED Luminaires, Solo-Task Product Systems, and other directly infringing third party LED lighting systems in a manner that infringes one or more claims of the '905 Patent either literally or under the doctrine of equivalents.

133. Schneider formed a specific intent to infringe the '905 Patent at least when, for example, Juno agreed to indemnify its third party OEM's against infringement claims brought by Lynk Labs and, in all events, no later than the February 28, 2014, patent portfolio offering to Juno, as described in Paragraphs 67-68, or the April 5, 2016 receipt by Schneider's counsel of a draft Third Amended Complaint asserting the '905 Patent in Northern District of Illinois Case No. 15-cv-4833.

*Contributory Infringement*

134. On information and belief, Schneider has contributorily infringed, and continues to contributorily infringe, the '905 Patent by offering to sell and selling in the United States, components of the invention claimed by the '905 Patent, including AC electronic transformers and Solo-Task LED Luminaires, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of the '905 Patent, and not staples, articles, or commodities of commerce suitable for substantial noninfringing use.

135. On information and belief, Schneider sells components, such as AC electronic transformers and Solo-Task LED Luminaires, to electrical distributors, contractors, and Retailers, which may be used in connection with the Solo-Task Product Systems or other directly infringing third party LED lighting systems, despite knowing that such components will result in infringement of the '905 Patent. In that event, Schneider contributes to the direct infringement of the '905 Patent, including: electrical distributors that offer to sell and sell the Solo-Task Product Systems and other directly infringing third party LED lighting systems; contractors that offer to sell, sell, and use the Solo-Task Product Systems and other directly infringing third party LED lighting systems; Retailers that offer to sell, sell, and use the Solo-Task Product Systems and other directly infringing third party LED lighting systems; and other end users of the Solo-Task Product Systems and other directly infringing third party LED lighting systems.

136. AC electronic transformers and Solo-Task LED Luminaires constitute material parts of the '905 Patent.

137. On information and belief, Schneider knew, and knows, that AC electronic transformers and Solo-Task LED Luminaires have no substantial noninfringing uses. The AC electronic drivers for LED circuits were specifically designed as components of AC-driven circuits that infringe the '905 Patent. Indeed, the first generation of such AC electronic drivers were specifically designed and developed by Lynk Labs, at Juno's request, for use in lighting systems that infringe the '905 Patent. The Solo-Task LED Luminaires are designed and marketed specifically for compatibility with the Solo-Task Product Systems.

*Notice & Marking*

138. Lynk Labs gave notice of infringement pursuant to 35 U.S.C. § 287(a), as described in Paragraphs 28 and 62, at least as early as April 2008, when Lynk Labs notified Juno of its pursuit of patent protection for AC-driven LED technologies. Moreover, as described in Paragraphs, 34 and 67-68, Lynk Labs: notified Juno of its patent position in May 2009; and included the '905 Patent in its February 2014 Offering Memorandum to Juno which identified classes of LED lighting products and systems related to claims of the '905 Patent. Additionally, on April 5, 2016, Juno and Schneider's counsel received from Lynk Labs' counsel a draft Third Amended Complaint in the corresponding 15-cv-4833 case asserting the '905 Patent against Juno and Schneider and alleging infringement of all the products named herein. Finally, Lynk Labs provides notice of infringement by serving this Complaint on Schneider.

139. As described in Paragraphs 12, 35, and 69, on information and belief, information regarding Lynk Labs received by Juno was often communicated by employees at Juno to employees at Schneider, including information regarding

intellectual property strategy pertaining to Lynk Labs. For this reason, all events providing notice of the '905 Patent to Juno also provided such notice to Schneider.

140. Lynk Labs has complied with the marking requirements of 35 U.S.C. § 287 with respect to the '905 Patent.

*Damage*

141. Lynk Labs has been damaged and irreparably harmed by Schneider's direct infringement of the '905 Patent, and will continue to be damaged and irreparably harmed absent relief.

**COUNT IV – BREACH OF CONTRACT**

142. Paragraphs 1 through 141 are incorporated by reference as though fully stated herein.

143. The Agreement was and is a valid, enforceable contract between Lynk Labs, Juno, and Schneider.

144. Schneider breached the Agreement by unauthorized utilization of Lynk Labs' confidential information concerning technical knowhow concerning design and manufacture of AC-driven lighting products and components and technical knowhow concerning various forms of AC-driven LED circuits in development and production of lighting systems that incorporate AC-driven LED's, including at least those systems described in Paragraph 39.

145. Schneider breached the Agreement by unauthorized utilization of the technology business plan/roadmap developed by Lynk Labs for commercial implementation of AC-driven LED products as described in Paragraph 40.

146. Schneider breached the Agreement by unauthorized utilization of confidential information concerning the proper spatial separation of LED's in development and production of the Mini-Flood as described in Paragraph 41.

147. Schneider breached the Agreement by unauthorized utilization of confidential information concerning the wedge-shaped emitter area of an LED circuit board assembly housing in development and production of LED fixtures incorporating such wedge-shaped emitter areas as described Paragraph 43.

148. Schneider breached the Agreement by unauthorized utilization of confidential information concerning the practical design of the LED fixture originally designed for use in tracks of the Trac 12 lighting system, by developing and producing LED fixtures incorporating such design as described in Paragraph 46.

149. Schneider breached the Agreement by unauthorized utilization of confidential information concerning the design of LED circuit board assemblies and their incorporation into the tracks of track lighting systems, by developing and producing LED lighting systems, PCB's, and modules incorporating such design as described in Paragraph 51.

150. Lynk Labs performed all of its obligations under the Agreement.

151. As a legal and proximate cause of Schneider's breaches of the Agreement, Lynk Labs sustained and continues to sustain substantial economic damages, due in part to its loss of potential customers and business partners, the loss and devaluation of Lynk Labs' confidential information, and the loss of its first mover advantage.

**COUNT V – FRAUDULENT MISREPRESENTATION**

152. Paragraphs 1 through 151 are incorporated by reference as though fully stated herein.

153. Schneider made false representations of material fact. Schneider falsely represented, through its conduct and words, that it believed itself to be bound by the terms of the Agreement, including the following misrepresentations:

- a) Sending Schneider employees, including Ignace de Prest, to Lynk Labs’ facilities in July 2006, just a few months after execution of the Agreement, to evaluate Lynk Labs’ technologies and as a target for investment from Schneider.
- b) Sending Schneider employees to meetings between Lynk Labs and Juno between 2006 and 2008 during which confidential information was disclosed, products were co-developed, and/or a cooperative Lynk-Juno-Schneider intellectual property strategy were discussed. One such representation was Schneider employee Doug Ford’s attendance at a July 23, 2007 meeting between Mr. Miskin and then President and CEO of Juno, Amy Huntington.
- c) Participating in component purchasing decisions with Lynk Labs and Juno between 2006 and 2008, including purchase of LED’s for the fixtures co-developed by Lynk Labs and Juno. One such representation was in a March 6, 2008 email from Juno employee David Early to Mr. Miskin in which Mr. Early, after “a daylong Schneider Electric purchasing meeting[,]” relays a message to Mr. Miskin that “the team has requested

that I supply them with information regarding our forecasted [sic] LED purchases.” Mr. Early explains: “[T]hey still want to consider using the Schneider purchasing power to get a better price.”

- d) Using Schneider in-house counsel to communicate with Lynk Labs regarding the Agreement, including an email sent by Roland Norris to Mr. Huber and Mr. Miskin on May 21, 2009 purporting to terminate the Agreement and addressing Lynk Labs’ concerns about Juno’s behavior under the Agreement.

154. Schneider knew that the representations were false, believed the representations to be false, and/or made the representations in reckless disregard of whether they were true or false. On information and belief, Schneider’s counsel reviewed the Agreement and the Extension before and after they were executed and, at all times relevant to this litigation, advised Juno on all aspects of Juno’s intellectual property strategy. After reviewing the Agreement and the Extension, Schneider knew or should have known that it did not believe it was bound the Agreement, at least by the time it was executed on January 23, 2006 or when the Extension was executed on April 4, 2008. Moreover, Schneider sent employees to Lynk Labs in July 2006 to evaluate Lynk Labs as a target for investment, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider’s visit. Schneider also sent employees to meetings between Lynk Labs and Juno between 2006 and 2008 at which confidential information was disclosed, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider’s attendance at meetings between Lynk Labs and Juno. Finally, Schneider participated in component

purchasing decisions with Lynk Labs and Juno regarding products co-developed by Lynk Labs and Juno that incorporated Lynk Labs' confidential information, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's participation in purchasing for such product development.

155. On May 11, 2016, Schneider's counsel revealed Schneider's knowledge that its representations were false. Counsel for Schneider, via email to Lynk Labs' counsel, confirmed that Schneider did not believe it was a party to the Agreement. Counsel for Lynk Labs followed up via email on May 24, 2016, requesting further confirmation that Schneider never believed itself to be bound by the terms of the Agreement. Schneider's counsel provided no substantive response, instead insisting that Lynk Labs proceed with the information it had available to it.

156. Schneider made the representations with the intent to induce Lynk Labs to disclose its confidential information as described in Paragraphs 20, 23, 39-41, 43, 46, and 51. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk would not have disclosed to Schneider such confidential information.

157. Lynk Labs reasonably believed the representations and disclosed its confidential information to Schneider as described in Paragraphs 20, 23, 39-41, 43, 46, and 51 in justifiable reliance on the truth of the representations. Particularly, Lynk Labs relied on Schneider's representations that Schneider believed it was bound by the Agreement when deciding to disclose confidential information to Schneider. Moreover, the Extension explicitly bound Juno's parents to the terms of the Agreement. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk Labs would have sought a different partnership.



158. Lynk Labs sustained damages as a result of its reliance on Schneider's representations. Lynk Labs' disclosure of confidential information to Schneider enabled Schneider to assist Juno incorporating such confidential information into the design of Juno-branded products, including those listed in Paragraphs 23, 39, 41, 43, 46, and 51. Schneider then sold those Juno-branded products at a profit. Schneider's profits were compounded by Schneider's use of Lynk Labs' confidential business plan for capitalizing on the nascent AC-LED market, including but not limited to its participation in creating the Juno-branded products incorporating Lynk Labs' confidential information. Lynk Labs should have received some or all of the profits from the sales of Juno-branded products incorporating Lynk Labs' confidential information. Moreover, Schneider and Juno's first-mover advantage in the market prevented Lynk Labs from establishing itself as a manufacturer and/or seller of similar products. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk Labs would have sought a different partnership before disclosing any confidential information and realized the profit from such a partnership and the corresponding first-mover advantage.

#### **COUNT VI – FRAUDULENT CONCEALMENT**

159. Paragraphs 1 through 158 are incorporated by reference as though fully stated herein.

160. Schneider knowingly concealed material facts from Lynk Labs, including that it did not believe it was bound by the terms of the Agreement.

161. Schneider made representations to Lynk Labs that Schneider believed itself to be bound by the terms of the Agreement, including the representations listed in Paragraph 153.

162. Schneider knew that the representations were false, believed the representations to be false, and/or made the representations in reckless disregard of whether they were true or false. On information and belief, Schneider's counsel reviewed the Agreement and the Extension before and after they were executed and, at all times relevant to this litigation, advised Juno on all aspects of Juno's intellectual property strategy. After reviewing the Agreement and the Extension, Schneider knew or should have known that it did not believe it was bound the Agreement, at least by the time it was executed on January 23, 2006 or when the Extension was executed on April 4, 2008. Moreover, Schneider sent employees to Lynk Labs in July 2006 to evaluate Lynk Labs as a target for investment, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's visit. Schneider also sent employees to meetings between Lynk Labs and Juno between 2006 and 2008 at which confidential information was disclosed, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's attendance at meetings between Lynk Labs and Juno. Finally, Schneider participated in component purchasing decisions with Lynk Labs and Juno regarding products co-developed by Lynk Labs and Juno that incorporated Lynk Labs' confidential information, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's participation in purchasing for such product development.

163. On May 11, 2016, Schneider's counsel revealed Schneider's knowledge that its representations were false. Counsel for Schneider, via email to Lynk Labs' counsel, confirmed that Schneider did not believe it was a party to the Agreement. Counsel for Lynk Labs followed up via email on May 24, 2016, requesting further

confirmation that Schneider never believed itself to be bound by the terms of the Agreement. Schneider's counsel provided no substantive response, instead insisting that Lynk Labs proceed with the information it had available to it.

164. Schneider concealed material facts with the intent to deceive Lynk Labs and to induce Lynk Labs to disclose the confidential information described in Paragraphs 20, 23, 39-41, 43, 46, and 51. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk would not have disclosed to Schneider such confidential information.

165. Schneider had a duty to disclose the material facts to Lynk Labs. Schneider had a duty to disclose the material facts to Lynk Labs because of the confidential relationship between Lynk Labs and Schneider, established at least pursuant to the Agreement. Schneider also had a duty to disclose the material facts to Lynk Labs because of Schneider's position of influence and superiority over Lynk Labs. As described extensively herein, Schneider, a sophisticated entity in a long-term, ongoing business relationship with Lynk Labs, had cultivated a relationship of trust with, and a position of dominance over, Lynk Labs that invited Lynk Labs to rely on the facts as Lynk Labs knew them. Moreover, Schneider had a duty to disclose the material facts to Lynk Labs when it knew that Lynk Labs was ignorant of or mistaken as to the fundamental fact that Schneider did not believe it was bound by the Agreement.

166. Schneider should have disclosed the concealed material facts at least as early as the execution of the Agreement, immediately after execution of the Extension, during its July 2006 visit to Lynk Labs' facilities, during its in-house counsels'

communications with Lynk Labs, and/or during any meetings with both Lynk Labs and Juno.

167. Lynk Labs disclosed confidential information to Schneider as described in Paragraphs 20, 23, 39-41, 43, 46, and 51 in justifiable reliance on the facts as Lynk Labs knew them. Particularly, Lynk Labs relied on its understanding that Schneider believed itself to be bound of the Agreement. Given the special and confidential relationship between Lynk Labs and Schneider, Lynk Labs justifiably relied on Schneider's representations that it was bound by the Agreement, including those representations described in Paragraph 153. Moreover, the Extension explicitly bound Juno's parents to the terms of the Agreement. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk Labs would have sought a different partnership.

168. Lynk Labs sustained damages as a result of its reliance on the facts as it knew them. Lynk Labs' disclosure of confidential information to Schneider enabled Schneider to assist Juno incorporating such confidential information into the design of Juno-branded products, including those listed in Paragraphs 23, 39, 41, 43, 46, and 51. Schneider then sold those Juno-branded products at a profit. Schneider's profits were compounded by Schneider's use of Lynk Labs' confidential business plan for capitalizing on the nascent AC-LED market, including but not limited to its participation in creating the Juno-branded products incorporating Lynk Labs' confidential information. Lynk Labs should have received some or all of the profits from the sales of Juno-branded products incorporating Lynk Labs' confidential information. Moreover, Schneider and Juno's first-mover advantage in the market prevented Lynk Labs from establishing itself as a manufacturer and/or seller of similar products. If Lynk Labs knew that Schneider

did not believe itself to be bound by the Agreement, Lynk Labs would have sought a different partnership before disclosing any confidential information and realized the profit from such a partnership and the corresponding first-mover advantage.

#### **COUNT VII – NEGLIGENT MISREPRESENTATION**

169. Paragraphs 1 through 168 are incorporated by reference as though fully stated herein.

170. Schneider made false representations of material fact. Schneider falsely represented that it believed itself to be bound by the terms of the Agreement, including the representations described in Paragraph 153.

171. Schneider was careless and negligent in ascertaining the truth of those representations. On information and belief, Schneider's counsel reviewed the Agreement and the Extension before and after they were executed and, at all times relevant to this litigation, advised Juno on all aspects of Juno's intellectual property strategy. After reviewing the Agreement and the Extension, Schneider knew or should have known that it did not believe it was bound the Agreement, at least by the time it was executed on January 23, 2006 or when the Extension was executed on April 4, 2008. Moreover, Schneider sent employees to Lynk Labs in July 2006 to evaluate Lynk Labs as a target for investment, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's visit. Schneider also sent employees to meetings between Lynk Labs and Juno between 2006 and 2008 at which confidential information was disclosed, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's attendance at meetings between Lynk Labs and Juno. Finally, Schneider participated in component

purchasing decisions with Lynk Labs and Juno regarding products co-developed by Lynk Labs and Juno that incorporated Lynk Labs' confidential information, at which point Schneider knew or should have known that its representations caused Lynk Labs to permit Schneider's participation in purchasing for such product development.

172. On May 11, 2016, Schneider's counsel revealed Schneider's knowledge that its representations were false. Counsel for Schneider, via email to Lynk Labs' counsel, confirmed that Schneider did not believe it was a party to the Agreement. Counsel for Lynk Labs followed up via email on May 24, 2016, requesting further confirmation that Schneider never believed itself to be bound by the terms of the Agreement. Schneider's counsel provided no substantive response, instead insisting that Lynk Labs proceed with the information it had available to it.

173. Schneider had a duty to communicate accurate information to Lynk Labs because of the confidential relationship between Lynk Labs and Schneider established at least pursuant to the Agreement. Schneider also had a duty to Lynk Labs because of Schneider's position of influence and superiority over Lynk Labs. As described extensively herein, Schneider, a sophisticated entity in a long-term, ongoing business relationship with Lynk Labs, had cultivated a relationship of trust with, and a position of dominance over, Lynk Labs that invited Lynk Labs to rely on the facts as Lynk Labs knew them. Moreover, Schneider had a duty to Lynk Labs when it knew that Lynk Labs was ignorant of or mistaken as to the fundamental fact that Schneider did not believe it was bound by the Agreement.

174. Schneider made the representations with the intent to induce Lynk Labs to disclose its confidential information as described in Paragraphs 20, 23, 39-41, 43, 46, and

51. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk Labs would not have disclosed such confidential information to Schneider.

175. Lynk Labs reasonably believed the representations and disclosed its confidential information to Schneider as described in Paragraphs 20, 23, 39-41, 43, 46, and 51 in justifiable reliance on the truth of the representations. Particularly, Lynk Labs relied on Schneider's representations that Schneider believed it was bound by the Agreement when deciding to disclose confidential information to Schneider. Moreover, the Extension explicitly bound Juno's parents to the terms of the Agreement. If Lynk Labs knew that Schneider did not believe itself to be bound by the Agreement, Lynk Labs would have sought a different partnership.

176. Lynk Labs sustained damages as the result of its reliance on Schneider's representations. Lynk Labs' disclosure of confidential information to Schneider enabled Schneider to assist Juno incorporating such confidential information into the design of Juno-branded products, including those listed in Paragraphs 23, 39, 41, 43, 46, and 51. Schneider then sold those Juno-branded products at a profit. Schneider's profits were compounded by Schneider's use of Lynk Labs' confidential business plan for capitalizing on the nascent AC-LED market, including but not limited to its participation in creating the Juno-branded products incorporating Lynk Labs' confidential information. Lynk Labs should have received some or all of the profits from the sales of Juno-branded products incorporating Lynk Labs' confidential information. Moreover, Schneider and Juno's first-mover advantage in the market prevented Lynk Labs from establishing itself as a manufacturer and/or seller of similar products. If Lynk Labs knew that Schneider

did not believe itself to be bound by the Agreement, Lynk Labs would have sought a different partnership before disclosing any confidential information and realized the profit from such a partnership and the corresponding first-mover advantage.

**PRAYER FOR RELIEF**

Wherefore, Plaintiff Lynk Labs prays that this Court:

- A. Enter a judgment that Schneider has infringed and continues to infringe one or more claims of the '118, '855, and '905 Patents;
- B. Enter a judgment Schneider has willfully infringed and continues to willfully infringe one or more claims of the '118 and '905 Patents;
- C. Award Lynk Labs damages in an amount sufficient to compensate Lynk Labs for Schneider's infringement of the '118, '855, and '905 Patents, but no less than a reasonable royalty;
- D. Award Lynk Labs treble damages pursuant to 35 U.S.C. § 284 as a result of Schneider's willful conduct;
- E. Award Lynk Labs its attorneys' fees, costs, and expenses pursuant to 35 U.S.C. § 285;
- F. Award Lynk Labs prejudgment interest pursuant to 35 U.S.C. § 284;
- G. Enter a judgment that Schneider has breached the Agreement;
- H. Award Lynk Labs damages in an amount sufficient to compensate Lynk Labs for Schneider's breach of the Agreement;
- I. Award Lynk Labs punitive damages in an amount to prevent Schneider from engaging in similar breaches of contract in the future;



- J. Award Lynk Labs its attorney's fees, costs, and expenses pursuant to the Agreement;
- K. Enter a judgment that Schneider has committed fraudulent misrepresentation;
- L. Award Lynk Labs damages in an amount sufficient to compensate Lynk Labs for Schneider's fraudulent misrepresentation;
- M. Award Lynk Labs punitive damages in an amount to prevent Schneider from engaging in similar fraudulent misrepresentation;
- N. Award Lynk Labs prejudgment interest for Schneider's fraudulent misrepresentation;
- O. Award Lynk Labs attorneys' fees, costs, and expenses for Schneider's fraudulent misrepresentation;
- P. Enter a judgment that Schneider has committed fraudulent concealment;
- Q. Award Lynk Labs damages in an amount sufficient to compensate Lynk Labs for Schneider's fraudulent concealment;
- R. Award Lynk Labs punitive damages in an amount to prevent Schneider from engaging in similar fraudulent concealment;
- S. Award Lynk Labs prejudgment interest for Schneider's fraudulent concealment;
- T. Award Lynk Labs attorneys' fees, costs, and expenses for Schneider's fraudulent concealment;
- U. Enter a judgment that Schneider has committed negligent misrepresentation;

- V. Award Lynk Labs damages in an amount sufficient to compensate Lynk Labs for Schneider's negligent misrepresentation;
- W. Award Lynk Labs punitive damages in an amount to prevent Schneider from engaging in similar negligent misrepresentation;
- X. Award Lynk Labs prejudgment interest for Schneider's negligent misrepresentation;
- Y. Award Lynk Labs attorneys' fees, costs, and expenses for Schneider's negligent misrepresentation;
- Z. Grant Lynk Labs such other and further relief as this Court may deem just and proper.

**JURY DEMAND**

Lynk Labs hereby demands a jury trial on all issues appropriately triable by a jury.

Dated: June 1, 2016

Respectfully submitted,

/s/ James A. Shimota

James A. Shimota

James A. Shimota (IL Bar No. 6270603)  
Aaron C. Taggart (IL Bar No. 6302068)  
Braden J. Tilghman (IL Bar No. 6314143)  
**HAYNES AND BOONE LLP**  
180 North LaSalle Street, Suite 2215  
Chicago, Illinois 60601  
Telephone: 312-216-1620  
Facsimile: 312-216-1621  
Jim.Shimota@haynesboone.com  
Aaron.Taggart@haynesboone.com  
Braden.Tilghman@haynesboone.com

***Counsel for Plaintiff Lynk Labs, Inc.***

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a true and correct copy of the above and foregoing document has been served on June 1, 2016, by electronic filing to:

Michael G. Babbitt  
Benjamin J. Bradford  
Reginald J. Hill  
Lisa M. Schoedel  
**JENNER & BLOCK LLP**  
353 N. Clark St.  
Chicago, Illinois 60654  
mbabbitt@jenner.com  
bbradford@jenner.com  
rhill@jenner.com  
lschoedel@jenner.com

***Counsel for Defendant***

/s/ James. A. Shimota