

FILED

MAY 28 2004

U. S. DISTRICT COURT
EASTERN DISTRICT OF MO
ST. LOUIS

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

SIGMA-ALDRICH COMPANY,)

Plaintiff,)

v.)

PIERCE BIOTECHNOLOGY, INC.)

Serve Registered Agent:)

C T Corporation System)
208 So. LaSalle St., Suite 814)
Chicago, IL 60604)

Defendant.)

4 04CV00671CDP
Civil Action No

JURY TRIAL DEMANDED

**COMPLAINT FOR DECLARATORY JUDGMENT OF NON-INFRINGEMENT,
INVALIDITY AND UNENFORCEABILITY**

Plaintiff Sigma-Aldrich Company ("Sigma"), by its attorneys, files this Complaint for Declaratory Judgment of Non-Infringement, Invalidity and Unenforceability of U.S. Patent No. 6,174,704 and alleges as follows:

THE PARTIES

1. Plaintiff Sigma is a company organized and existing under the laws of the State of Illinois, having a principal place of business at 3050 Spruce Street, Saint Louis, Missouri 63103.
2. Upon information and belief, Defendant Pierce Biotechnology, Inc. ("Pierce") is a corporation organized and existing under the laws of the State of Delaware, having a principal place of business at 3747 N. Meridian Road, Rockford, Illinois 61101.
3. This Court has personal jurisdiction over Pierce under the Missouri long-arm statute, Mo. Rev. Stat. § 506.500, because Pierce conducts regular and systematic business in this district and

markets and sells its products in this district including the products covered by the patent at issue.

JURISDICTION

4. This Court has subject matter jurisdiction under 28 U.S.C. §§ 2201, 2202, and 1338 as a declaratory judgment action arising under the Patent Laws, Title 35 of the United States Code.

5. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b) and (c).

BACKGROUND FACTS

6. Sigma is a leading life science and high technology company that markets and sells biochemical and organic chemical products and kits that are used in scientific and genomic research, biotechnology, pharmaceutical development, the diagnosis of disease and chemical manufacturing.

7. Sigma manufactures and sells CelLytic™ B Bacterial Cell Lysis Extraction Reagent which may be used for, among other things, the breaking up of bacterial cell walls (a process called lysis) for the purification of recombinant and wild type proteins.

8. U. S. Patent No. 6,174,704, entitled "Method For Recovery of Proteins Prepared by Recombinant DNA Procedures," issued on January 16, 2001 (the "'704 Patent"). The '704 Patent names Ruiyin Chu and A. Krishna Mallia as inventors and lists on its face Pierce Chemical Company as assignee. A true and accurate copy of the '704 Patent is attached hereto as Exhibit 1 and incorporated herein.

9. On or about September 17, 2001, Pierce sent a letter to Sigma requesting that Sigma take a license under the '704 patent for the manufacture and sale of Sigma's CelLytic™ B Bacterial Lysis Extraction Reagent.

10. On November 11, 2001, Sigma responded to Pierce by electronic mail stating that it had reviewed the '704 Patent and reached the conclusion that the '704 Patent is invalid. A true and accurate copy of the electronic mail is attached hereto as Exhibit 2 and incorporated herein.

11. Pierce did not reply to Sigma for nearly two years, leading Sigma to believe that the matter had been resolved.

12. Upon information and belief, sometime in 2002, Pierce Chemical Company changed its name to Pierce Biotechnology, Inc. and vested all right, title and interest in the '704 Patent in Pierce Biotechnology, Inc.

13. On or about September 2003, Pierce contacted Sigma again and reiterated its demand that Sigma take a license to avoid infringement of the '704 Patent by making, using, and selling the CelLytic™ B Bacterial Lysis Extraction Reagent.

14. On September 30, 2003, Sigma again responded to Pierce explaining in detail why the '704 Patent is invalid. A true and accurate copy of a response letter from Sigma is attached hereto as Exhibit 3 and incorporated herein.

15. Seven months later, on April 28, 2004, Pierce's lawyers sent a letter to Sigma stating that "Sigma's CelLytic™ Reagent infringes the '704 Patent." The letter also states that "to avoid a legal issue, Pierce is willing to license the '704 Patent under competitive terms and conditions." A true and accurate copy of the letter is attached hereto as Exhibit 4 and incorporated herein.

16. Sigma has informed or will inform Pierce in the near term, that Sigma does not intend to take a license under the '704 Patent, because the '704 Patent is unenforceable, not infringed by Sigma and is invalid in view of prior art. Sigma has a current, real apprehension and belief that Pierce will immediately file suit upon receiving such information.

17. Pierce's conduct has created a reasonable apprehension on the part of Sigma that it will face an infringement suit if it continues to manufacture or sell its CelLytic™ B Bacterial Cell Lysis Extraction Reagent.

18. As a result of Pierce's conduct, this case presents an actual controversy within the meaning of 28 U.S.C. § 2201 regarding the infringement and validity of the '704 Patent.

COUNT I - NON-INFRINGEMENT OF THE '704 PATENT

19. Paragraphs 1-18 above are incorporated herein by reference.

20. Sigma does not now infringe and has never infringed any valid and enforceable claim of the '704 Patent.

COUNT II - INVALIDITY OF THE '704 PATENT

21. Paragraphs 1-20 are incorporated herein by reference.

22. Each claim of the '704 Patent is invalid under 35 U.S.C. § 102 as lacking novelty; is invalid under 35 U.S.C. § 103 because the differences between the subject matter claimed and the prior art are such that the claimed subject matter would have been obvious at the time the invention was made to a person having ordinary skill in the art to which the subject matter pertains; and/or is invalid for failure to comply with the requirements of 35 U.S.C. § 112.

COUNT III - UNENFORCEABILITY BY LACHES

23. Paragraphs 1-22 are incorporated herein by reference.

24. Pierce's allegation and/or claim of infringement of the '704 Patent is barred by laches because:

- A. Pierce has delayed filing suit for an unreasonable and inexcusable length of time from the time that Pierce knew or reasonably should have known of its claim against Sigma, and
- B. The delay operated to the prejudice and/or injury of Sigma.

COUNT IV - UNENFORCEABILITY BY ESTOPPEL

25. Paragraphs 1-24 are incorporated herein by reference.

26. Pierce's allegation and/or claim of infringement of the '704 Patent is barred by estoppel because:

- A. Pierce, through misleading conduct, has lead Sigma to reasonably infer that Pierce did not intend to enforce the '704 Patent against Sigma,
- B. Sigma reasonably relied on Pierce's conduct to its detriment, and
- C. Due to its reliance, Sigma will be materially prejudiced if Pierce is allowed to make and/or maintain an allegation and/or claim of infringement of the '704 Patent.

PRAYER FOR RELIEF

WHEREFORE, Sigma-Aldrich Company prays that this Court:

- a) Enter judgment declaring that Sigma is not now infringing and has never infringed the '704 Patent;
- b) Enter judgment declaring the '704 Patent invalid;

- c) Enter judgment declaring the '704 Patent unenforceable against Sigma by laches;
- d) Enter judgment declaring the '704 Patent unenforceable against Sigma by estoppel;
- e) Enter judgment enjoining Pierce, its officers, agents, counsel, servants and employees and all persons in active concert or participation with them from charging infringement of or instituting any action for infringement of the '704 Patent, and from threatening Sigma or any of its customers, agents, employees or users of the CellLytic™ B Bacterial Cell Lysis Extraction Reagent, with infringement litigation or charging any of them either verbally or in writing with infringement of the '704 Patent;
- f) Enter judgment declaring this an exceptional case under 35 U.S.C. § 285 and awarding Sigma its reasonable attorneys' fees, expenses and costs in this action; and
- g) Grant Sigma such further relief as this Court deems just and proper.

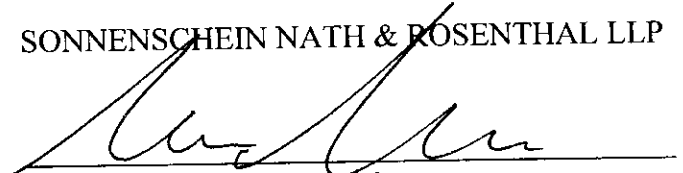
DEMAND FOR JURY TRIAL

Sigma demands a trial by jury of all issues so triable as a matter of right.

Dated: May 28, 2004

Respectfully submitted,

SONNENSCHN NATH & ROSENTHAL LLP

A handwritten signature in black ink, appearing to read "Michael T. Marrah", is written over a horizontal line.

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