

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

LIGHTING SCIENCE GROUP)
CORP. and GLOBAL VALUE)
LIGHTING, LLC)

Plaintiffs,)

v.)

LEEDARSON LIGHTING CO., LTD.,)
and LEEDARSON AMERICA, INC.)

Defendants.)

Civil Action File No.

__ : __ -cv- _____ - ____

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiffs Lighting Science Group Corp. and Global Value Lighting, LLC file this Complaint against Leedarson Lighting Co., Ltd. and Leedarson America, Inc. for patent infringement under 35 U.S.C. § 271 and false and misleading advertising under Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and federal common law of unfair competition. Plaintiffs allege, based on their own personal knowledge with respect to their own actions and based upon information and belief with respect to all others' actions, as follows:

INTRODUCTION

1. For nearly two decades, Lighting Science Group Corporation (“LSG”) has been at the forefront of innovation in the light-emitting diode (“LED” or “LEDs”) lighting space. LSG was the first U.S.-based manufacturer to make an LED light commercially available. In the ensuing years, LSG proved instrumental to the proliferation of LED lighting across American residences. In May 2010, through a relationship with The Home Depot, LSG released a 40-watt equivalent, 429 lumen LED bulb under The Home Depot’s EcoSmart brand for \$20. In an article titled, “The Home Depot takes LED lighting mainstream with \$20 bulbs,” Engadget celebrated the product for making high-quality LED lighting more economically accessible, noting that LSG’s product was “cheaper and nearly as powerful as the 450 lumen, \$40-\$50 design industry heavyweight GE unveiled” the month before, and concluding, “[h]onestly, we’re starting to wonder what the catch is.”¹

2. By 2011, LSG’s winning combination of innovation, quality, and accessible pricing had led the company to become the largest North American producer of LED lights, selling 4.5 million LED lights in 2011 alone, and increasing

¹ Sean Hollister, “The Home Depot Takes LED Lighting Mainstream with \$20 Bulbs,” Engadget (May 11, 2010), <https://www.engadget.com/2010/05/11/the-home-depot-takes-led-lighting-mainstream-with-20-bulbs/>.

sales by 450-percent over the prior year.² That success, in turn, led LSG to become a significant American employer. For three consecutive years, from 2012 to 2014, LSG was named on Deloitte's Technology Fast 500™ as one of the top 500 fastest growing companies in North America.³

3. Meanwhile, as LSG continued to advance the field of LED lighting both commercially and technologically, it simultaneously protected and disclosed its innovative intellectual property through hundreds of issued U.S. patents. Those patents, in turn, further advanced the LED lighting space, garnering thousands of citations from later patents filed by LSG's competitors.

4. But in recent years, an explosion of products which infringe LSG's innovative patents has eroded LSG's market position. LSG has been further unfairly injured by false and misleading advertisements from certain of its competitors, who have touted their products to the American public as meeting rigorous ENERGY STAR® certification standards when, in fact, they do not. Thus, in order to protect

² Jasmine Zhuang, "Lighting Science Group Becomes North American Largest LED Lights Producer," LEDinside (Jan. 31, 2012), https://www.ledinside.com/news/2012/1/lighting_science_group_north_american_largest_producer_20120131.

³ "Lighting Science Group Corporation Ranked in Top 500 Fastest Growing Companies for Third Consecutive Year in North America on Deloitte's 2014 Technology Fast 500™," Pegasus Capital Advisors (Nov. 17, 2014), <http://www.pcalp.com/lighting-science-group-corporation-ranked-top-500-fastest-growing-companies-third-consecutive-year-north-america-deloittes-2014-technology-fast-500/>

their valuable intellectual property rights and substantial investments in innovating the LED lighting space, LSG and LSG's majority-owned subsidiary Global Value Lighting, LLC ("GVL") file this complaint for patent infringement and false and misleading advertising in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and federal common law of unfair competition.

5. This matter is a companion case to an ITC proceeding, captioned *In the Matter of Certain Light-Emitting Diode Products, Systems, and Components Thereof*, filed concurrently herewith by the same Plaintiffs, naming the same Defendants as respondents. Plaintiffs hereby incorporate by reference the relevant portions of the Complaint filed in that ITC proceeding as if restated herein.

THE PARTIES

6. Lighting Science Group Corp. is a Delaware corporation with its principal place of business located at 801 N. Atlantic Avenue, Cocoa Beach, FL 32931.

7. Both directly and through its subsidiaries, LSG is in the business of manufacturing, researching, developing, and selling devices and systems that use LEDs as the light source.

8. Global Value Lighting, LLC is a Delaware limited liability company with corporate headquarters at 1350 Division Rd, Suite 204, West Warwick, RI

02893. GVL is a licensee of the patents asserted in this action with certain rights in the field of private label LED products, and as such is included as co-plaintiff out of an abundance of caution because certain Leedarson Accused Products fall within that field of use.

9. Leedarson Lighting Co., Ltd. is a privately-owned company organized under the laws of the People's Republic of China. It has its principal place of business at the Leedarson Building, No. 1511, 2nd Fanghu North Road, Xiamen 361010, People's Republic of China. According to its website, Defendant Leedarson China has teams and consultants in the US. *See* <http://www.leedarson.com/index.php/About/index/id/14>.

10. Leedarson America, Inc. is a Georgia Corporation with its principal place of business located at 4600 Highlands Pkwy SE, Suite D-E, Smyrna, GA 30082. Leedarson America, Inc. has designated Louisa Hsieh, 300 Technology CT, Suite A, Smyrna, GA 30082 as its agent for service of process.

11. On information and belief, Leedarson America, Inc. is a subsidiary of Respondent Leedarson Lighting Co., Ltd., and it, directly or through its affiliates, imports into the United States, sells for importation into the United States, and/or sells after importation into the United States certain Accused Products and/or knowingly induces such activity.

12. Leedarson Lighting Co. Ltd. is a manufacturer of LED lamps and LED products and is the “Number 1 exporter in China.” Upon information and belief, Leedarson Lighting Co. Ltd. manufactures certain Accused Products abroad in Zhangzhou, China and Sichuan, China. On information and belief, Leedarson America, Inc. imports and sells those Accused Products in the United States through its offices in Smyrna, Georgia. On information and belief, products made by Leedarson Lighting Co. Ltd. and/or imported by Leedarson America, Inc. are sold in the United States under at least the following brand names: Ecosmart, Commercial Electric, and LEDi2.

13. As a result of the above, Leedarson Lighting Co. Ltd. and Leedarson America, Inc. are liable jointly, severally, or in the alternative with respect to the same series of transactions or occurrences, and questions of fact common to both of them will arise in this action, consistent with 35 U.S.C. § 299.

14. Leedarson Lighting Co. and Leedarson America, Inc. are collectively referred to as “Leedarson.”

15. Leedarson has known about LSG’s patent portfolio since at least May 9, 2017 as a result of a pending related case *Lighting Science Group Corp. v. Leedarson Lighting Co. LTD.*, No. 6:17-cv-00826 (M.D. Fla.). On information and belief, since that time Leedarson has learned of the patents asserted in this matter.

JURISDICTION AND VENUE

16. This action arises under the patent laws of the United States, Title 35 of the United States Code, Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and federal common law of unfair competition. This Court has original subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

17. This Court has personal jurisdiction over Leedarson in this action because Leedarson has committed acts within this district giving rise to this action, and has established minimum contacts with this forum such that the exercise of jurisdiction over Leedarson would not offend traditional notions of fair play and substantial justice. Leedarson, directly and through subsidiaries or intermediaries, has committed and continues to commit acts of infringement in this district by, among other things, importing, offering to sell, and selling products that infringe the asserted patents. Leedarson America, Inc. is a resident of this district. Leedarson Lighting Co. controls the products sold by Leedarson America, Inc., and controls or acts jointly with Leedarson America, Inc. in the marketing and sale of the accused products.

18. Venue is proper in this District under 28 U.S.C. §§ 1391(b), 1391(c), and 1400(b). Defendant Leedarson America, Inc. resides in this district, commits acts of patent infringement in this district, and has a regular and established place of

business in this district at 4600 Highlands Pkwy SE, Suite D-E, Smyrna, GA 30082.

19. Venue is proper as to Defendant Leedarson Lighting Co., which is organized under the laws of China. 28 U.S.C. § 1391(c)(3) provides that “a defendant not resident in the United States may be sued in any judicial district, and the joinder of such a defendant shall be disregarded in determining where the action may be brought with respect to other defendants.”

COUNT ONE: INFRINGEMENT OF THE '421 PATENT

20. U.S. Patent No. 7,528,421 (“the '421 Patent”), titled “Surface Mountable Light Emitting Diode Assemblies Packaged for High Temperature Operation,” issued on May 5, 2009, naming Joseph Mazzochette as the inventor. Ex. 1 ('421 Patent).

21. LSG owns by assignment all rights, title, and interest in the '421 Patent.

22. GVL is a licensee of the '421 patent, and together LSG and GVL hold all substantial rights across all fields of use, including the right to sue and recover for all past, current, and future infringement.

23. On information and belief, Leedarson imports, sells for importation, and/or sells after importation into the United States certain Accused Products (“Leedarson Accused Products”) that infringe the '421 Patent, including products sold under the EcoSmart, Commercial Electric, and LEDi2 brand names.

24. The Leedarson Accused Products directly infringe, literally and/or under the doctrine of equivalents, at least claims 1–2, 6, and 10 of the '421 Patent, in violation of 35 U.S.C. § 271(a). Leedarson directly infringes at least these claims by importing, selling for importation, and/or selling after importation into the United States the Leedarson Accused Products. The Leedarson Accused Products satisfy all claim limitations of claims 1–2, 6, and 10 of the '421 Patent at the time of importation into the United States.

25. Moreover, on information and belief, one or more of the Defendants knowingly and intentionally induces infringement of the '421 Patent in violation of 35 U.S.C. § 271(b) by actively encouraging others to offer to sell, sell, use, and/or import Leedarson Accused Products into the United States (that is, by actively encouraging others to directly infringe). On information and belief, with knowledge and intent, or with willful blindness, one or more of the Defendants is encouraging and facilitating infringement by others. For example, on information and belief, one or more of the Defendants sells the Leedarson Accused Products or otherwise provides the Leedarson Accused Products to another Defendant or to distributors knowing that these distributors intend to import and/or sell the Leedarson Accused Products in the United States. On information and belief, as of the filing of this Complaint or earlier, the Defendants have had knowledge of, or have been willfully

blind toward, the Asserted Patents and the infringement of the Asserted Patents by making, using, selling, offering to sell, and/or importing the Leedarson Accused Products.

26. A claim chart comparing claims 1–2, 6, and 10 of the '421 Patent to a representative Leedarson Accused Product, the Leedarson LEDi2 6W (40W Equivalent) Dimmable LED Light Bulb (Warm White) (i2-LA19D06-27K-4P),⁴ is attached as Exhibit 2.⁵ Additionally, on information and belief, including based on teardown analyses and imaging, at least the following additional products constitute Leedarson Accused Products that infringe the '421 Patent for the reasons set forth above:⁶

- Ecosmart 10W (65W Replacement) Dimmable 6” LED Downlight (Soft White) (DL-N34A11FR1-27)
- Ecosmart 9W (65W Replacement) Dimmable 4” LED Downlight (Soft White) (DL-N34A9ER1-27)
- Ecosmart 5.3W (40W Replacement) Dimmable A19 LED Light Bulb (Soft White) (A7A19A40WESD01)
- Ecosmart 15.5W (100W Replacement) Dimmable A19 LED Light Bulb (Soft White) (A7A19A100WESD04)
- Ecosmart 12.5W (75W Replacement) Dimmable A19 LED Light Bulb (Soft White) (C5A19A75WESD04)
- Ecosmart 4.5W (35W Replacement) Dimmable PAR16 Flood LED Light

⁴ Upon information and belief, this product was manufactured by or for Leedarson.

⁵ Exhibit 2 is redacted to exclude confidential information. An unredacted version will be filed with a Motion for Leave to File Under Seal immediately following the filing of this Complaint.

⁶ Upon information and belief, the products listed were manufactured by or for Leedarson.

- Bulb (Bright White) (5bsM350STE2602)
- Commercial Electric Industrial High Bay LED Light (Daylight) (HL-NHB285-NP08B)
- Commercial Electric 10W (65W Equivalent) Dimmable 5” and 6” Recessed Retrofit LED Downlight (Soft White) (DL-N28A11FR1-27)
- Commercial Electric 11.5W (65W Equivalent) Dimmable 5” and 6” LED Disk Light (Soft White) (DL-N19A11FR1-27)
- Commercial Electric 10W (65W Equivalent) Dimmable 4” LED Disk Light (Soft White) (DL-N19A9ER1-27)
- LEDi2 19.5W (100W Equivalent) Dimmable BR40 LED Light Bulb (Warm White) (i2-LBR40D19.5-27K)
- LEDi2 9.2W (60W Equivalent) Dimmable A19 LED Light Bulb (Warm White) (i2-LA19D9.2-27K-4P)
- LEDi2 9.6W (60W Equivalent) A19 LED Light Bulb (Warm White) (i2-LA19D9.6-30K-N-4P)
- LEDi2 5.8W (40W Equivalent) A19 LED Light Bulb (Soft White) (i2-LA19D5.8-30K-N-4P)

COUNT TWO: INFRINGEMENT OF THE '608 PATENT

27. U.S. Patent No. 8,674,608 (“the ’008 Patent”), titled “Configurable Environmental Condition Sensing Luminaire, System and Associated Methods,” issued on March 18, 2014, naming Eric Holland, Mark P. Boomgaarden, and Eric Thosteson as the inventors. Ex. 3 (’608 Patent).

28. LSG owns by assignment all rights, title, and interest in the ’608 Patent.

29. GVL is a licensee of the ’608 patent, and together LSG and GVL hold all substantial rights across all fields of use, including the right to sue and recover for all past, current, and future infringement.

30. On information and belief, Leedarson imports, sells for importation,

and/or sells after importation into the United States certain Leedarson Accused Products that infringe the '608 Patent, including products sold under the EcoSmart, Commercial Electric, and LEDi2 brand names.

31. The Leedarson Accused Products directly infringe, literally and/or under the doctrine of equivalents, at least claims 1, 2, 6, 12, 13, 16, 19–22, 24, 28, and 37 of the '608 Patent, in violation of 35 U.S.C. §271(a). Leedarson directly infringes at least these claims by importing, selling for importation, and/or selling after importation into the United States the Leedarson Accused Products. The Leedarson Accused Products satisfy all claim limitations of claims 1, 2, 6, 12, 13, 16, 19–22, 24, 28, and 37 of the '608 Patent at the time of importation into the United States.

32. Moreover, on information and belief, one or more of the Defendants knowingly and intentionally induces infringement of the '608 Patent in violation of 35 U.S.C. § 271(b) by actively encouraging others to offer to sell, sell, use, and/or import Leedarson Accused Products into the United States (that is, by actively encouraging others to directly infringe). On information and belief, with knowledge and intent, or with willful blindness, one or more of the Defendants is encouraging and facilitating infringement by others. For example, on information and belief, one or more of the Defendants sells the Leedarson Accused Products or otherwise

provides the Leedarson Accused Products to another Defendant or to distributors knowing that these distributors intend to import and/or sell the Leedarson Accused Products in the United States. On information and belief, as of the filing of this Complaint or earlier, the Leedarson Respondents have had knowledge of, or have been willfully blind toward, the Asserted Patents and the infringement of the Asserted Patents by making, using, selling, offering to sell, and/or importing the Leedarson Accused Products.

33. A claim chart comparing claims 1, 2, 6, 12, 13, 16, 19–22, 24, 28, and 37 of the '608 Patent to a Leedarson Accused Product, the Leedarson IoT Platform System, as defined in the corresponding claim chart, is attached here as Exhibit 4.⁷

COUNT THREE: FALSE AND MISLEADING ADVERTISING

34. Leedarson advertises their products, including the LEDi2 19.5W (100W Equivalent) Dimmable BR40 LED Light Bulb (Warm White) (i2-LBR40D19.5-27K BR40)⁸ (“i2-LBR40D19.5-27K BR40 Bulb”) Leedarson Accused Product, as being Energy Star certified by including the Energy Star® logo on their packaging.

⁷ Exhibit 4 is redacted to exclude confidential information. An unredacted version will be filed with a Motion for Leave to File Under Seal immediately following the filing of this Complaint.

⁸ Upon information and belief, this product was manufactured by or for the Leedarson Respondents.

35. LSG tested the Leedarson i2-LBR40D19.5-27K LED BR40 Bulb for compliance with Sections 9.1, 9.2, and 9.6 of the ENERGY STAR® Program Requirements Product Specification for Lamps (Light Bulbs) Version 2.1 at its facility in Cocoa Beach, Florida. Even though the bulb's packaging displays the Energy Star® logo, it failed to meet the requirements of Sections 9.1, 9.2, or 9.6 of the ENERGY STAR® Program Requirements.

36. Nine of the ten tested bulbs emitted less than the 70 lumens per watt required by Section 9.1 of the Specification. These results do not meet the requirement that, of ten tested products, "eight or more units individually shall meet the requirement." In addition, the average luminous efficacy from the ten lamps is 66.582 lumens per watt, which is below the 70-lumen-per-watt average required by the Specification. Each of these failures independently prevents the Leedarson i2-LBR40D19.5-27K LED BR40 Bulb from meeting the Energy Star requirements of Section 9.1.

37. All ten of the tested bulbs emitted less than the 1,400 lumens required by Section 9.2 of the Specification for a 100-watt equivalent BR-shaped bulb. These results do not meet the requirement that, of ten tested products, "8 or more units individually shall meet the requirement." In addition, the average light output from the ten lamps is 1328.903 lumens, which is below the 1,400-lumen average required

by the Specification. Each of these failures independently prevents the Leedarson i2-LBR40D19.5-27K LED BR40 Bulb from meeting the requirements of Section 9.2.

38. In addition, the Leedarson i2-LBR40D19.5-27K LED BR40 Bulbs failed to meet Section 9.6's requirement that at least nine out of ten bulbs emit light within the ANSI range corresponding to the advertised color temperature of 2700K. All ten of the tested bulbs fell outside the ANSI range corresponding to the advertised color temperature. Accordingly, the bulbs also fail to meet the correlated color temperature requirements of Section 9.6.

39. As these failures show, at least Leedarson's i2-LBR40D19.5-27K LED BR40 Bulbs mislead consumers because the bulbs will be less efficient and dimmer than advertised and emit a different color of light than advertised. Leedarson's i2-LBR40D19.5-27K LED BR40 Bulbs will thus not meet the expectations of consumers who have grown to rely on the Energy Star® logo as a signal of reliability and quality.

40. Leedarson misrepresents the characteristics and qualities of their LED bulbs at least by falsely and misleadingly advertising them as Energy Star compliant in violation of Section 43(a) of the Lanham Act, 15 U.S.C § 1125(a) and the federal common law of unfair competition. Leedarson is a direct competitor of Plaintiffs.

Leedarson's false advertising misleads consumers into purchasing products that do not perform as advertised and misleads utility companies into providing subsidies to Leedarson's non-compliant products. As a result, Plaintiffs have and will continue to suffer substantial injury to Plaintiffs' domestic industry, including, without limitation, due to actual or potential (1) diminishment or tarnishing of the Energy Star brand and certification, and thus, by implication, the quality and reliability of Plaintiffs' Energy Star certified products, (2) lost sales, (3) lost profitability, (4) reduced domestic employment, and (5) lost market share.

JURY DEMAND

Plaintiffs hereby demand a trial by jury on all issues so triable.

PRAYER FOR RELIEF

WHEREFORE Plaintiffs Lighting Science Group Corp. and Global Value Lighting LLC ask this Court for an order granting the following relief:

- a. A judgment in favor of Plaintiffs that Leedarson has infringed, either literally and/or under the doctrine of equivalents, the '421 patent and the '608 patent;
- b. A permanent injunction prohibiting Leedarson from further acts of infringement of the '421 patent and the '608 patent;
- c. A judgment in favor of Plaintiffs that Leedarson has violated the Lanham Act and federal common law in committing false and misleading

advertising;

d. A judgment and order requiring Leedarson to pay Plaintiffs their damages, costs, expenses, and any enhanced damages to which plaintiffs may be entitled for Leedarson's infringement of the '421 patent and the '608 patent and violations of the Lanham Act; and

e. A judgment and order requiring Leedarson to provide an accounting and to pay supplemental damages to Plaintiffs, including without limitation, pre-judgment and post-judgment interest;

f. A judgment and order finding that this is an exceptional case within the meaning of 35 U.S.C. § 285 and awarding to Plaintiffs their reasonable attorneys' fees against Leedarson; and

g. Any and all other relief as the Court may deem appropriate and just under the circumstances.

This 30th day of April, 2019

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