IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

NOURYON USA, LLC, Plaintiff, v. XENE CORPORATION, Defendant.	CIV. A. NO. _____ **JURY TRIAL DEMANDED**

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff Nouryon USA, LLC ("Nouryon"), by and through its undersigned counsel, hereby brings the following Complaint (the "Complaint") against Xene Corporation ("Xene" or the "Defendant"). The allegations of the Complaint are based on the knowledge of Plaintiff, and on information and belief, including the investigation of counsel and review of publicly available information, including, but not limited to, corporate filings.

NATURE OF THE ACTION

1. This is an action for declaratory judgment that two United States patents are not infringed and/or invalid pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201-02, and the Patent Laws of the United States, 35 U.S.C. §§ 100 *et seq.*, and for such other relief as the Court deems just and proper.

THE PARTIES

2. Plaintiff Nouryon is a corporation and existing under the laws of the State of Delaware having its principal place of business at 100 Matsonford Road, Building 1, Suite 500, Radnor, Pennsylvania, 19087. Nouryon does business in this District.

3. Defendant Xene is a corporation organized and existing under the laws of New York State that was formed on or about May 9, 2022. Xene is in the business of enforcing and attempting to monetize patents. Xene does not sell or offer for sale any products.

4. On information and belief, Xene is the owner by assignment of U.S. Patent No. 10,500,447 ("the '447 patent") and U.S. Patent No. 8,238,666 ("the '666 patent") (together, "the Patents-in-Suit"). A copy of the '447 patent is attached hereto as Exhibit 1. A copy of the '666 patent is attached hereto as Exhibit 2.

XENE'S HISTORY WITH EXPANCEL® AND NOURYON

5. Xene brought a suit against Nouryon, and an assortment of affiliates and others, alleging infringement of the Patents-in-Suit in the Eastern District of New York on May 16, 2022. Pending before that court is a Motion to Dismiss for Lack of Jurisdiction and a Failure to State a Claim filed by Nouryon.

6. The Patents-in-Suit claim uses of Expancel® in making tennis rackets and various other fiber composite items. Expancel® is Nouryon's trade name for small thermoplastic microspheres encapsulating a gas that expand in size and increase in volume when heated and was invented in the 1970s.

7. Xene sought out and entered into a Confidentiality Agreement with Nouryon in November 2021. The Confidentiality Agreement states that its "Purpose" is "Expancel Microspheres Use – Composite Applications and Masterbatch Forms."

8. The Confidentiality Agreement further provides that Confidential Information includes technical information and "patent applications" and confirms that "Confidential Information already received from [Defendant] in relation to the Purpose prior to the effective Date shall be subject to this Agreement." (*Id.* at Section 2.4). The Confidentiality Agreement

provides that it "constitutes the entire agreement of the Parties with respect to the subject matter in the Agreement and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral with respect to the subject matter." (*Id.* at Section 6.6).

9. The Agreement also includes a mandatory forum selection clause (the "Forum Selection Clause") that encompasses disputes with Nouryon Pulp and Performance Chemicals LLC and its "Affiliates":

> All disputes arising out of or relating in any way to performance under this Agreement, including disputes involving Affiliates of any Party to this Agreement, will be resolved exclusively in the courts of the state of Delaware and the Parties by executing the agreement consent to the jurisdiction in that court.

JURISDCITION AND VENUE

10. This Court has exclusive subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202, and the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*

11. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391.

12. This Court has personal jurisdiction over Xene under pursuant to the Forum Selection Clause whereby Xene contractually consented to this forum. Plaintiff is included under the definition of "Affiliates" in the Forum Selection Clause because it is controlled by Nouryon Holding B.V.

COUNT I

DECLARATION OF NONINFRINGEMENT OF U.S. PATENT NO. 10,500,447

13. Nouryon repeats and realleges the allegations in paragraphs 1-12 as though fully set forth herein.

14. Nouryon has not infringed and does not infringe, directly or indirectly, any valid and enforceable claim of the ‘447 patent, either literally or under the doctrine of equivalents.

15. Nouryon’s customers have not infringed and do not infringe, directly or indirectly, any valid and enforceable claim of the ‘447 patent, either literally or under the doctrine of equivalents, based on their alleged use of the materials provided by Nouryon.

16. A judicial declaration is necessary and appropriate so that Nouryon may ascertain its rights regarding ‘447 patent.

17. Nouryon is entitled to a judicial declaration that it has not infringed and does infringe the ‘447 patent, and that its customers have not infringed and do not infringe the ‘447 patent based on their alleged us of the materials provided by Nouryon.

COUNT II

DECLARATION OF INVALIDITY OF U.S. PATENT NO. 10,500,447

18. Nouryon repeats and realleges the allegations in paragraphs 1-17 as though fully set forth herein.

19. The ‘477 patent is invalid for failure to meet the conditions of patentability an/or otherwise comply with one or more of 35 U.S.C. §§ 102, 103 and 112.

20. For example, the ‘447 patent is invalid as anticipated under 35 U.S.C. § 102 because the prior art, such as “Materials and tennis rackets.” by Lammer, H. & Kotze, Johan. (Materials in Sports Equipment. 1. 222-248. 10.1016/B978-1-85573-599-6.50013-3)(2003), discloses the limitations of the claims of the ‘447 patent as asserted by Xene. “Materials and tennis rackets.” by Lammer, H. & Kotze, Johan. (Materials in Sports Equipment. 1. 222-248. 10.1016/B978-1-85573-599-6.50013-3)(2003) was known in the art by at least 2003.

21. As another example, the ‘447 patent is invalid as obvious under 35 U.S.C. § 103 because the claims of the ‘447 patent as asserted by Xene would have been obvious to one skilled in the art in view of the prior art, such as “Materials and tennis rackets.” by Lammer, H. & Kotze, Johan. (Materials in Sports Equipment. 1. 222-248. 10.1016/B978-1-85573-599-6.50013-3)(2003), either alone or in combination with the other prior art.

22. The ‘447 patent is invalid under 35 U.S.C. § 112 because the specification does not contain sufficient written description support for the claims as asserted by Xene.

23. As a result of the acts described in the foregoing paragraphs, there exists a substantial controversy of sufficient immediacy and reality to warrant the issuance of a declaratory judgement.

24. A judicial declaration is necessary and appropriate so the Nouryon may ascertain its rights regarding the ‘447 patent.

COUNT III

DECLARATION OF NONINFRINGEMENT OF U.S. PATENT NO. 8,328,666

25. Nouryon repeats and realleges the allegations in paragraphs 1-24 as though fully set forth herein.

26. Nouryon has not infringed and does not infringe, directly or indirectly, any valid and enforceable claim of the ‘666 patent, either literally or under the doctrine of equivalents.

27. Nouryon’s customers have not infringed and do not infringe, directly or indirectly, any valid and enforceable claim of the ‘666 patent, either literally or under the doctrine of equivalents, based on their alleged use of the materials provided by Nouryon.

28. A judicial declaration is necessary and appropriate so that Nouryon may ascertain its rights regarding ‘666 patent.

29. Nouryon is entitled to a judicial declaration that it has not infringed and does infringe the ‘666 patent, and that its customers have not infringed and do not infringe the ‘666 patent based on their alleged us of the materials provided by Nouryon.

COUNT IV

DECLARATION OF INVALIDITY OF U.S. PATENT NO. 8,328,666

30. Nouryon repeats and realleges the allegations in paragraphs 1-29 as though fully set forth herein.

31. The ‘666 patent is invalid for failure to meet the conditions of patentability an/or otherwise comply with one or more of 35 U.S.C. §§ 102, 103 and 112.

32. For example, the ‘666 patent is invalid as anticipated under 35 U.S.C. § 102 because the prior art, such as U.S. Patent No. 4,061,520, discloses the limitations of the claims of the ‘666 patent as asserted by Xene. U.S. Patent No. 4,061,520 was known in the art by at least December 6, 1977.

33. As another example, the ‘666 patent is invalid as obvious under 35 U.S.C. § 103 because the claims of the ‘666 patent as asserted by Xene would have been obvious to one skilled in the art in view of the prior art, such as U.S. Patent No.4,061,520, either alone or in combination with the other prior art.

34. The ‘666 patent is invalid under 35 U.S.C. § 112 because the specification does not contain sufficient written description support for the claims as asserted by Xene.

35. As a result of the acts described in the foregoing paragraphs, there exists a substantial controversy of sufficient immediacy and reality to warrant the issuance of a declaratory judgement.

36. A judicial declaration is necessary and appropriate so the Nouryon may ascertain its rights regarding the '666 patent.

JURY DEMAND

37. Pursuant to Fed. R. Civ. P. 38(b), Nouryon hereby demands a trial by jury on all issues and claims so triable.

PRAYER FOR RELIEF

WHEREFORE, plaintiff Nouryon respectfully requests that judgement be entered in its favor and prays tat the Court grant the following relief:

A. A declaration that Nouryon has not infringed, either directly or indirectly, any valid and enforceable claim of the Patents-in-Suit, either literally or under the doctrine of equivalents;

B. A declaration that Nouryon's customers have not infringed, either directly or indirectly, any valid and enforceable claim of the Patents-in-Suit, either literally or under the doctrine of equivalents, based on their alleged use of materials provided by Nouryon;

C. A declaration that the Patents-in-Suit are invalid;

D. An order enjoining Xene and its officers, agents, servants, employees, attorneys, and those in the active concert or participation with them from asserting infringement or instituting or continuing any action for infringement of the Patents-in-Suit against Nouryon or the suppliers, manufacturers, distributors, resellers, customers, or end users of its products;

E. An order declaring that this is an exceptional case, and awarding Nouryon its costs and reasonable attorney fees under 35 U.S.C. § 285; and

F. Such other and further relief as this Court may deem just and proper.

Respectfully submitted,

Dated: May 22, 2024

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