

**THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
EASTERN DIVISION**

| | | |
|----------------|---|-------------------------|
| KABA ILCO INC. |) | |
| |) | |
| Plaintiff, |) | |
| |) | |
| v. |) | Civil Action No. 07-224 |
| |) | |
| HPC, INC., |) | |
| |) | |
| Defendant. |) | |

Complaint for Patent Infringement

The Parties

1. Kaba Ilco Inc. ("Kaba") is a corporation organized and existing under the laws of Canada, with its principal place of business in Montreal, Canada. Kaba Ilco Corp. is a related company that sells Kaba products out of its offices at 400 Jeffreys Road, Rocky Mount, North Carolina 27804.

2. Defendant HPC, Inc. ("HPC") is a corporation organized and existing under the laws of the State of Illinois, with its principal place of business at 3999 North 25th Avenue, Schiller Park (Chicago), Illinois 60176. HPC has representatives and distributors in North Carolina that sell the allegedly-

infringing product throughout the state, including, on information and belief, in this district.

Jurisdiction

3. This is an action for patent infringement. Subject matter jurisdiction is based upon 28 U.S.C. §§ 1331 and 1338(a), and further upon 28 U.S.C. § 1332(a) as there is a diversity of citizenship between Kaba and HPC, and the amount in controversy is in excess of \$75,000.00.

Statement of Facts

4. On December 7, 1999, United States patent No. 5,997,224 for a “Key Cutting Machine For Cutting Keys By Code” (the “’224 patent” or the “key-cutting patent”) was duly and legally issued to Ilco Unican Inc., as assignee of the inventors Alain Beauregard and Aaron Fish. On June 19, 2001, all rights in the ‘224 patent were acquired by Kaba, and Kaba is now and has been at all times since that date the owner of the key-cutting patent and of all rights thereto and thereunder. A copy of the key-cutting patent is attached as Exhibit 1.

5. On information and belief, HPC has made, used, offered for sale, and sold within North Carolina and elsewhere in the United States, a key-cutting machine known as the Blue SHARK™.

6. HPC has infringed and is now infringing the claims of the key-cutting patent by making, using, offering for sale, or selling the key-cutting machine known as the Blue SHARK™, which embodies the inventions claimed in the key-cutting patent and will continue to do so unless enjoined by the Court.

7. HPC's infringement is willful and deliberate. Kaba has given written notice to HPC of HPC's infringement, yet HPC continues to make, use, and sell the Blue SHARK™ key-cutting machine.

WHEREFORE, Kaba respectfully prays for judgment against HPC as follows:

A. an injunction against HPC's continued infringement of Kaba's key-cutting patent;

B. an accounting for damages resulting from HPC's infringement, and the trebling of such damages because of the knowing and willful nature of HPC's infringement;

C. an assessment of interest on the damages;

D. an award of Kaba's attorneys fees and costs; and

E. such other and further relief as the Court deems just and equitable.

Demand for Jury Trial

Kaba requests trial by jury as to all issues triable by jury in this case.

This 18th day of June, 2007.

/s/Albert P. Allan

Albert P. Allan

N.C. Bar No. 18882

John J. Barnhardt

N.C. Bar No. 221

John P. Higgins

N.C. Bar No. 17442

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