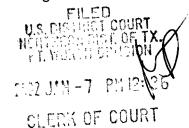


# IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS FORT WORTH DIVISION



FRESNEL TECHNOLOGIES, INC.	§	<del>-</del>
	§	
Plaintiff,	§	Civil Action No: 401-CV-1091-A
	§	
V.	§	
	§	
ROKONET INDUSTRIES USA, INC.	§	Judge: John H. McBryde
	§	
Defendants	§	

## **PLAINTIFF'S ORIGINAL COMPLAINT**

Fresnel Technologies, Inc. (hereinafter "Fresnel") files this its Original Complaint against Rokonet Industries USA, Inc. ("Rokonet") and for cause of action would the Court as follows.

### **JURISDICTION**

1. This cause of action arises under the patent laws of the United States, Title 35, United States Code, more particularly, 35 U.S.C. §§ 271 et seq. This Court has jurisdiction under 28 U.S.C. § 1338(a) and 28 U.S.C. § 1331.

#### **VENUE**

2. Venue properly lies within the Northern District of Texas pursuant to the provisions of 28 U.S.C. §§ 1391 and 1400 (b) in that a substantial part of the events giving rise to the claims occurred in this District, a substantial part of the property that is the subject of this action is situated in this District, substantial acts constituting infringement of the patent-in-suit have occurred in this Judicial District and Division, and the Defendant has systematic and continuous contacts to the forum subjecting it to personal jurisdiction in this District.

### THE PARTIES

- 3. Fresnel is a Texas corporation having its place of business in Fort Worth, Texas. Fresnel's business address is 101 West Morningside Drive, Fort Worth, Texas 76110. Fresnel is the owner by assignment from the inventor, Richard N. Claytor, of U.S. Patent No. RE 35,534, entitled "Fresnel Lens With Aspheric Grooves," reissued on June 17, 1997, which is a reissue of U.S. Patent No. 4,787,722, of the same title, issued on November 29, 1988.
- Rokonet is a New York corporation with its principal place of business in Elmsford, 4. New York.

## **BACKGROUND**

- 5. On April 10, 1986, an application for U.S. Patent No. 4,787,722 ("the '722 patent") was filed. On November 29, 1988, the '722 patent was duly and legally issued to Richard N. Claytor.
- 6. Thereafter, an application to reissue the '722 patent was filed on April 15, 1994. On June 17, 1997, U.S. Patent No. RE 35,534 ("the '534 patent") was duly and legally issued to Richard N. Claytor as a reissue of the '722 patent. A copy of the '534 patent is attached hereto as **EXHIBIT** A.
- 7. Richard N. Claytor has assigned all of his rights in—and title to—the '722 patent and the '534 patent to Fresnel Technologies, Inc. of Fort Worth, Texas, as reflected on the face of the '534 patent.
- 8. The claims of the '534 patent relate to Fresnel lenses of the type commonly used in motion detectors. Multiple Fresnel lenses are typically arranged in a grouping called an "array" or "lens array" that is formed of plastic. The arrays are essential to the operation of motion detectors, burglar alarms, and motion-activated lights, among other products.

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- 9. Fresnel manufactures lens arrays and sells them to the makers of products that incorporate the lens arrays. As well, Fresnel licenses its products to some manufacturers.
- Rokonet, as hereinafter set out more fully, has infringed and continues to infringe 10. claims 1 through 5 of the '534 patent.

## **ROKONET'S INFRINGEMENT**

- Rokonet is engaged in the business of manufacturing and selling security and home 11. automation control systems, including passive infrared motion detectors for the detection of intruders.
- 12. Rokonet makes, sells, and offers multiple security devices in the United States which incorporate a lens that infringes the '534 patent.
- 13. On January 27, 1993, Rokonet signed a license agreement with Fresnel pursuant to which Rokonet paid Fresnel a lump sum payment based on past due and estimated future royalties resulting from sales of Rokonet products that incorporated a lens or lens arrays covered by the '722 patent. A copy of the license agreement is attached hereto as **EXHIBIT B**.
- Since the expiration of the license on December 31, 1993, Rokonet has not entered 14. into a further license agreement with Fresnel for the use or sale of products that infringe either the '722 or '534 patents.
- After the expiration of the January 27, 1993 license, Fresnel believed that Rokonet 15. had ceased infringing its patent.
- Thereafter, in 1999, Fresnel learned that Rokonet was not only continuing to infringe 16. its patent, the scope of Rokonet's infringement had greatly expanded.

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- 17. As a result of this discovery, beginning March 18, 1999, Fresnel began making requests to Rokonet to either take a license under the '534 patent or cease production and sale of its infringing products. On March 31, 1999, Rokonet's counsel responded and asked Fresnel to propose a new license agreement.
- 18. On April 5, 1999, Fresnel's counsel forwarded to Rokonet's counsel a proposed license agreement.
- 19. On July 1, 1999, Rokonet's counsel responded and offered a lump sum royalty payment to compensate Fresnel for its past infringement of the '534 patent and to cover future sales of its infringing products, which at that time Fresnel erroneously believed only included Rokonet's passive infrared motion detector Model RK6000U, for five years from the date of the execution of the new license agreement.
- 20. Thereafter, on July 30, 1999, Rokonet withdrew its July 1st offer, asserting that the claims in the reissued '534 patent were not identical to the claims of the original '722 patent.
- 21. Of course, Fresnel strenuously disagreed with the assertion that the claims of the '534 patent are not identical to the '722 patent as the law construes that term with respect to reissued patents.
- 22. In fact, in an unrelated lawsuit, the Honorable Judge McBryde issued an order on August 19, 1999 in which he held, on cross motions for summary judgment, "that any alleged violations of claims one or two of the '534 patent will relate back to the issuance of the '722 patent." A true and correct copy of that order is attached as **EXHIBIT** C. By necessary implication, the Court found the two patents "identical."

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- In the meantime, while the parties were negotiating an appropriate license fee, Fresnel 23. discovered that a number of Rokonet's other products also infringe the '534 patent. In addition to Model RK 6000U, Rokonet makes, sells, and offers for sale in the United States the following devices that incorporate a lens or lens array that infringes the '534 patent: RK 7001, RK 410/UL (Zodiac), RK 150 T Lunar DT, RK 2000 DPC Lunar PR, RK 110 FCUL (Cosmos DT), RK 115 (Cosmos DT), and RK 125 (Cosmos DT).
- Upon discovering these additional infringing products, Fresnel became concerned that 24. there may be many more Rokonet products that infringe its patent. The breadth of infringing products made and/or sold by Rokonet, coupled by Rokonet's refusal to pay royalties prior to the June 17, 1997 reissue date, caused the parties' settlement negotiations to come to a halt. This lawsuit ensued.
- 25. In the months and years since the parties ceased negotiating a license agreement, Fresnel has been litigating against other infringers of its patent. The last such lawsuit was dismissed by this Court by agreement of the parties on September 6, 2001.

## **CAUSE OF ACTION**

### PATENT INFRINGEMENT—35 U.S.C §§ 271 and 281

- 26. Fresnel incorporates the preceding paragraphs as if fully set forth herein.
- Rokonet has violated and continues to violate 35 U.S.C. § 271. Specifically, Rokonet 27. has continued its production and sales of products that infringe the claims of the '534 patent, while refusing to take a license under the patent.
- 28. Fresnel has been severely damaged by Rokonet's past and continued infringement of its patent. Fresnel is in the business of earning income in the form of royalties and/or license fees

which it charges manufacturers, such as Rokonet, to make, use, sell, and/or offer for sale the lenses and lens arrays covered by the '534 patent. Fresnel also receives income from sales of lenses and lens arrays to manufacturers, such as Rokonet.

29. Therefore, Fresnel has suffered damages by reason of the unlicenced making, using, selling, and offering for sale of the lenses, lens arrays, and fixtures incorporating such lenses covered by claims 1 through 5 of the '534 patent, the full measure of which damages it seeks to recover in this lawsuit.

## PERMANENT INJUNCTION—35 U.S.C. § 283

- 30. Fresnel incorporates the preceding paragraphs as if fully set forth herein.
- 31. In addition to damages, Fresnel also seeks a permanent injunction to prevent Rokonet's continued unlicenced use of the patented lenses. Unless enjoined, Fresnel believes Rokonet will continue to infringe claims 1 through 5 of the '534 patent as described more fully above, which will cause Fresnel to suffer additional damages, including the loss of royalties, sales, and profits that Fresnel would have realized but for Rokonet's unlawful acts.

### **WILLFULNESS**

- Fresnel incorporates the preceding paragraphs as if fully set forth herein. 32.
- 33. Rokonet has had knowledge of the '722 patent since shortly after May 12, 1992. A true and correct copy of a letter, dated May 12, 1992, enclosing a copy of the '722 patent, is attached hereto as **EXHIBIT D**.
- 34. Therefore, Rokonet has known, since at least May 1992, that its products contained infringing lenses or lens arrays. After being put on due inquiry, it is inconceivable that Rokonet could have formed a sound or good faith basis to believe it had the right to continue to incorporate

the infringing lenses in its products. Indeed, entering into a license with Fresnel acted as a tacit admission of Rokonet's infringement. While perhaps not dispositive, it is part of the totality of the circumstances that demonstrates Rokonet's willful misconduct.

35. As a result of Defendant's willful and deliberate misconduct, Fresnel seeks an enhancement of its damages pursuant to 35 U.S.C. § 284.

## **ATTORNEYS' FEES**

- 36. Fresnel incorporates the preceding paragraphs as if fully set forth herein.
- 37. Because of Defendant's tortious and deliberate misconduct, Fresnel has been forced to retain counsel to enforce its rights.
- 38. Pursuant to 35 U.S.C. § 285, as well as a matter of equity, Fresnel seeks the recovery of its reasonable and necessary attorneys' fees incurred in bringing this action.

### **PRAYER**

### WHEREFORE, Fresnel prays:

- (a) for a judgment that Rokonet has been and continues to be infringing claims 1 through 5 of United States Letters Patent No. RE 35,534;
- for a permanent injunction enjoining Rokonet and all in privity with them from (b) further infringement of the claims of United States Letters Patent No. RE 35,534;
- for an award of compensatory damages from Rokonet in an amount no less than the (c) royalty Fresnel would have received for granting Rokonet and other companies like it a license;

- (d) for an award of lost profits from Rokonet no less than the profits Fresnel would have received from the sale of systems or devices using Fresnel Technologies, Inc. lens arrays;
- for a threefold increase of the damages from Rokonet, or some lesser amount as the (e) Court deems appropriate, based upon Rokonet's willful and deliberate infringement;
- (f) for an award of the costs of this action and reasonable attorney's fees herein incurred;
- for pre- and post-judgment interest at the maximum allowable rate under the law; and (g)
- (h) such other and further relief as this Court may deem appropriate either at law or in equity.

Respectfully submitted,

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