

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

MAGNA MIRRORS OF AMERICA, INC.

Plaintiff,

Civil Action No.:

v.

Jury Trial Demanded

DURA OPERATING CORP.
DURA AUTOMOTIVE SYSTEMS, INC.

Defendants.

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff Magna Mirrors of America, Inc. having a registered assumed name “Magna Donnelly” and hereinafter referred to as Magna Donnelly, by its undersigned attorneys, alleges as follows:

PARTIES

1. Plaintiff Magna Donnelly is a Michigan corporation having a registered address of 30600 Telegraph Road, Bingham Farms, Michigan, 48025. Magna Donnelly is also doing business under the registered assumed name “Donnelly Corporation.”

2. Magna Donnelly is a leading designer and manufacturer of rear slider windows for vehicles and has a place of business at 49 West 3rd Street, Holland, MI 49423 and a facility located at 3501 John F. Donnelly Drive, Holland, MI 49424 that manufactures rear slider windows.

3. Upon information and belief, Dura Operating Corp. is a Delaware corporation having its principal place of business at 2791 Research Drive, Rochester Hills, Michigan 48309.

4. Upon information and belief, Dura Automotive Systems, Inc. is a Delaware corporation, having its principal place of business at 2791 Research Drive, Rochester Hills, Michigan 48309.

5. Defendants Dura Operating Corp. and Dura Automotive Systems, Inc. (collectively "Dura") conduct business within, can be found in, and otherwise have extensive contacts within this judicial district.

6. Dura has previously filed suit in the Eastern District of Michigan for alleged patent infringement and alleged trade secret misappropriation purportedly involving rear slider windows. See Case No. 2:07-CV-10945 in the Eastern District of Michigan, Southern Division

7. Dura has also filed suit in the Eastern District of Texas for alleged patent infringement involving rear slider windows; See Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division.

JURISDICTION AND VENUE

8. This Court has subject matter jurisdiction under the patent laws of the United States, 35 U.S.C. § 1 et seq. and under the Declaratory Judgment Act 28 U.S.C. § 2201 et seq. This Court also has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338.

9. Upon information and belief, this Court has personal jurisdiction over Defendant Dura at least by virtue of its presence within this judicial district and its conducting business within this judicial district.

10. Venue is proper under 28 U.S.C. §§ 1391 and 1400.

BACKGROUND

11. According to representations by Dura, and reflected in United States Patent & Trademark Office records or as reflected on the face of the particular patent, Dura is an alleged owner, with purported enforcement rights, of the following United States Patents: (a) U.S. Patent No. 5,522,191 (“the ‘191 patent”) entitled “Multi-pane Window Assembly With Single-Sided Frame,” which issued on June 4, 1996; (b) U.S. Patent No. 5,799,449 (“the ‘449 patent”) entitled “Snap-fit Sliding Window Assembly,” which issued on September 1, 1998; (c) U.S. Patent No. 5,442,880 (“the ‘880 patent”) entitled “Window Assembly With Slider,” which issued on August 22, 1995; and (d) U.S. Patent No. 5,551,193 (“the ‘193 patent”) entitled “Window Assembly Blade Seal,” which issued on September 3, 1996. True and correct copies of the Dura Patents are incorporated herein as **Exhibits A-D**, respectively.

12. Dura has communicated its belief that Magna Donnelly makes, uses, offers for sale, and/or sells products (“the Accused Products”) that allegedly infringe the Dura Patents, as indicated in Dura’s Complaint for Patent Infringement filed in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division. Magna Donnelly denies that the Dura Patents are enforceable, valid, and/or infringed by any of its products.

13. Magna Donnelly has filed a Motion to Dismiss Dura’s claims of patent infringement set forth in the Complaint filed in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, for lack of personal jurisdiction and improper venue, or in the alternative, to transfer venue to the Eastern District of Michigan.

14. Therefore, there is a case of actual controversy between Magna Donnelly and Defendant Dura concerning the enforceability, validity and/or alleged infringement of the Dura Patents.

COUNT I

NON-INFRINGEMENT OF THE '191 PATENT

15. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

16. Dura cannot identify any products of Magna Donnelly that infringe any properly construed valid and enforceable claim of the '191 patent. A true and correct copy of the '191 patent is attached hereto as **Exhibit A**.

17. Magna Donnelly does not infringe and has not infringed any properly construed valid and enforceable claim of the '191 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

18. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning non-infringement of the '191 patent. A judicial determination of the non-infringement of the '191 patent is necessary and appropriate in order to resolve this controversy.

19. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that it does not infringe any valid and enforceable claim of the '191 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

COUNT II

INVALIDITY OF THE '191 PATENT

20. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

21. The '191 patent is invalid because of its failure to meet the conditions of patentability and comply with the requirements of Title 35 of the United States Code, including, without limitation, §§ 101, 102, 103, and 112 thereof.

22. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning validity of the '191 patent. A judicial determination of the validity of the '191 patent is necessary and appropriate in order to resolve this controversy.

23. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '191 patent are invalid.

COUNT III

UNENFORCEABILITY OF THE '191 PATENT

24. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

25. Upon information and belief, the '191 patent is unenforceable because patent applicant/assignee and individuals associated with the filing and prosecution of the patent application leading to the '191 patent, including inside and outside counsel for the

patent applicant/assignee, withheld material prior art from the United States Patent and Trademark Office (“USPTO”) with an intent to deceive.

26. Upon information and belief, during prosecution of the patent application leading to the ‘191 patent, the patent applicant/assignee and counsel for the patent applicant/assignee failed to disclose to the USPTO material prior art, at least including U.S. Patent No. 5,442,880 (“the ‘880 patent”).

27. Upon information and belief, this failure to disclose material prior art to the USPTO was done with an intent to deceive the Examiner regarding, *inter alia*, the novelty and/or non-obviousness of a window assembly comprising a single-sided frame member and an exposed exterior surface substantially flush with an exterior surface of a fixed position pane, and was at least an inappropriate professional decision regarding the prior art.

28. On October 6, 1995, in remarks concerning an Amendment to the patent application leading to the ‘191 patent, Peter D. McDermott stated “Applicants which [sic] to emphasize to Examiner Edwards the unusualness of the window assembly defined by the present claims” and “Applicants respectfully submit that this combination of features is neither taught nor suggested by any citation of record.”

29. Upon information and belief, these statements were made with an intent to deceive the Examiner regarding, *inter alia*, the novelty and/or non-obviousness of a window assembly comprising a single-sided frame member and an exposed exterior surface substantially flush with an exterior surface of a fixed position pane, and was at least an inappropriate professional decision regarding the prior art.

30. Upon information and belief, the '191 patent is unenforceable based on laches and/or estoppel or its enforceability is limited to the extent that Dura did not properly mark any of their relevant products as required by 35 U.S.C. § 287 or otherwise give proper notice to Magna Donnelly.

31. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning enforceability of the '191 patent. A judicial determination of the enforceability of the '191 patent is necessary and appropriate in order to resolve this controversy.

32. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '191 patent are unenforceable.

COUNT IV

NON-INFRINGEMENT OF THE '449 PATENT

33. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

34. Dura cannot identify any products of Magna Donnelly that infringe any properly construed valid and enforceable claim of the '449 patent. A true and correct copy of the '449 patent is attached hereto as **Exhibit B**.

35. Magna Donnelly does not infringe and has not infringed any properly construed valid and enforceable claim of the '449 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

36. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning non-infringement of the '449 patent. A judicial determination of the non-infringement of the '449 patent is necessary and appropriate in order to resolve this controversy.

37. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that it does not infringe any valid and enforceable claim of the '449 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

COUNT V

INVALIDITY OF THE '449 PATENT

38. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

39. The '449 patent is invalid because of its failure to meet the conditions of patentability and comply with the requirements of Title 35 of the United States Code, including, without limitation, §§ 101, 102, 103, and 112 thereof.

40. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning validity of the '449 patent. A judicial determination of the validity of the '449 patent is necessary and appropriate in order to resolve this controversy.

41. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '449 patent are invalid.

COUNT VI

UNENFORCEABILITY OF THE '449 PATENT

42. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

43. Upon information and belief, the '449 patent is unenforceable because patent applicant/assignee and individuals associated with the filing and prosecution of the patent application leading to the '449 patent, including inside and outside counsel for the patent applicant/assignee, withheld material prior art from the United States Patent and Trademark Office ("USPTO") with an intent to deceive.

44. Upon information and belief, during prosecution of the patent application leading to the '449 patent, the patent applicant/assignee and counsel for the patent applicant/assignee failed to disclose to the USPTO material prior art, at least including U.S. Patent No. 5,442,880 ("the '880 patent").

45. Upon information and belief, this failure to disclose material prior art to the USPTO was done with an intent to deceive the Examiner regarding, *inter alia*, the novelty and/or non-obviousness of a window assembly comprising a circumferentially extending molded plastic cover integrating appliqués and a fixed pane at least in part by surface bonding, and was at least an inappropriate professional decision regarding the prior art.

46. Upon information and belief, the '449 patent is unenforceable based on laches and/or estoppel or its enforceability is limited to the extent that Dura did not properly mark any of their relevant products as required by 35 U.S.C. § 287 or otherwise give proper notice to Magna Donnelly.

47. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning enforceability of the '449 patent. A judicial determination of the enforceability of the '449 patent is necessary and appropriate in order to resolve this controversy.

48. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '449 patent are unenforceable.

COUNT VII

NON-INFRINGEMENT OF THE '880 PATENT

49. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

50. Dura cannot identify any products of Magna Donnelly that infringe any properly construed valid and enforceable claim of the '880 patent. A true and correct copy of the '880 patent is attached hereto as **Exhibit C**.

51. Magna Donnelly does not infringe and has not infringed any properly construed valid and enforceable claim of the '880 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

52. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning non-infringement of the '880 patent. A judicial determination of the non-infringement of the '880 patent is necessary and appropriate in order to resolve this controversy.

53. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that it does not infringe any valid and enforceable claim of the '880 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

COUNT VIII

INVALIDITY OF THE '880 PATENT

54. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

55. The '880 patent is invalid because of its failure to meet the conditions of patentability and comply with the requirements of Title 35 of the United States Code, including, without limitation, §§ 101, 102, 103, and 112 thereof.

56. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning validity of the '880 patent. A judicial determination of the validity of the '880 patent is necessary and appropriate in order to resolve this controversy.

57. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '880 patent are invalid.

COUNT IX

UNENFORCEABILITY OF THE '880 PATENT

58. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

59. Upon information and belief, the '880 patent is unenforceable based on laches and/or estoppel or its enforceability is limited to the extent that Dura did not properly mark any of their relevant products as required by 35 U.S.C. § 287 or otherwise give proper notice to Magna Donnelly.

60. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning enforceability of the '880 patent. A judicial determination of the enforceability of the '880 patent is necessary and appropriate in order to resolve this controversy.

61. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '880 patent are unenforceable.

COUNT X

NON-INFRINGEMENT OF THE '193 PATENT

62. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

63. Dura cannot identify any products of Magna Donnelly that infringe any properly construed valid and enforceable claim of the '193 patent. A true and correct copy of the '193 patent is attached hereto as **Exhibit D**.

64. Magna Donnelly does not infringe and has not infringed any properly construed valid and enforceable claim of the '193 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

65. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning non-infringement of the '193 patent. A judicial determination of the non-infringement of the '193 patent is necessary and appropriate in order to resolve this controversy.

66. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that it does not infringe any valid and enforceable claim of the '193 patent, literally, equivalently, directly, or indirectly, including inducement of infringement or contributory infringement.

COUNT XI

INVALIDITY OF THE '193 PATENT

67. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

68. The '193 patent is invalid because of its failure to meet the conditions of patentability and comply with the requirements of Title 35 of the United States Code, including, without limitation, §§ 101, 102, 103, and 112 thereof.

69. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning validity of the '193 patent. A judicial determination of the validity of the '193 patent is necessary and appropriate in order to resolve this controversy.

70. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '193 patent are invalid.

COUNT XII

UNENFORCEABILITY OF THE '193 PATENT

71. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

72. Upon information and belief, the '193 patent is unenforceable based on laches and/or estoppel or its enforceability is limited to the extent that Dura did not properly mark any of their relevant products as required by 35 U.S.C. § 287 or otherwise give proper notice to Magna Donnelly.

73. On September 3, 2004, the term of the '193 patent expired due to failure to pay the required maintenance fee. Upon information and belief, at the time of the expiration of the '193 patent, the '193 patent was owned by Dura.

74. On July 8, 2005, a petition entitled "Petition to Accept Unintentionally Delayed Payment of Maintenance Fee in an Expired Patent" related to the '193 patent (the "'193 PETITION'") was received by the USPTO, Office of Petitions. The '193 PETITION states, "The delay in payment of the maintenance fee to this patent was

unintentional ... PETITIONER(S) REQUEST THAT THE DELAYED PAYMENT OF THE MAINTENANCE FEE BE ACCEPTED AND THE PATENT REINSTATED.”

The petition was signed by Dean B. Watson, who is, upon information and belief, an attorney currently employed by Dura.

75. On September 20, 2005, the USPTO issued a decision, accepting the maintenance fee payment and reinstating the ‘193 patent. The September 20, 2005 decision states, “It is not apparent whether the person signing the statement of unintentional delay was in a position to have firsthand or direct knowledge of the facts and circumstances of the delay at issue. Nevertheless, such statement is being treated as having been made as the result of a reasonable inquiry into the facts and circumstances of such delay. In the event that such an inquiry has not been made, petitioner must make such an inquiry. If such inquiry results in the discovery that the entire delay in paying the maintenance fee under 37 CFR 1.378(c) was intentional, petitioner must notify the Office.”

76. Upon information and belief, the delay in paying the maintenance fee for the ‘193 patent was not unintentional. Upon information and belief, Dura allowed the ‘193 patent to lapse after it abandoned the technology disclosed in the ‘193 patent.

77. Upon information and belief, the person who signed the statement of unintentional delay in the ‘193 PETITION, namely Dean B. Watson, was not employed by the owner of the ‘193 patent at the time the ‘193 patent expired. Upon information and belief, Dean B. Watson was employed by Energy Conversion Devices, Inc. until December 2004, which is three months after the ‘193 patent expired and three months after the maintenance fee payment was due.

78. Upon information and belief, the person who signed the statement of unintentional delay in the '193 PETITION, namely Dean B. Watson, did not have knowledge that the delay in paying the maintenance fee was in fact unintentional.

79. Upon information and belief, the person who signed the statement of unintentional delay in the '193 PETITION, namely Dean B. Watson, did not make the appropriate inquiry to ascertain that, in fact, the delay was unintentional.

80. Upon information and belief, if the person who signed the statement of unintentional delay in the '193 PETITION, namely Dean B. Watson, discovered that the delay in paying the maintenance fee was intentional, that person did not notify the USPTO as required by the September 20, 2005 decision

81. The statement of unintentional delay was material to the decision of the USPTO. The USPTO would not have accepted the fee and would not have reinstated the '193 patent without the statement of unintentional delay.

82. Upon information and belief, the statement of unintentional delay was made without basis and with an intent to deceive.

83. Pursuant to Rule 11(b)(3), Fed. R. Civ. P., Magna Donnelly identifies the allegations of paragraphs 76-80 and 82 as being likely to have further evidentiary support after a reasonable opportunity for further investigation or discovery.

84. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning enforceability of the '193 patent. A judicial determination of the enforceability of the '193 patent is necessary and appropriate in order to resolve this controversy.

85. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that all claims of the '193 patent are unenforceable.

COUNT XIII

PATENT EXPIRATION AND MISUSE REGARDING THE '193 PATENT

86. Magna Donnelly repeats, realleges, and incorporates by reference the averments of the preceding paragraphs as though fully set forth herein.

87. The '193 patent reinstatement is a nullity.

88. The '193 patent expired on September 3, 2004.

89. Dura has committed patent misuse by seeking to enforce the '193 patent after its expiration date in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division.

90. The '193 patent is unenforceable due to patent misuse.

91. By virtue of the Complaint filed by Dura in Case No. 6:08-CV-000455 in the Eastern District of Texas, Tyler Division, there is a case of actual controversy between Dura on the one hand and Magna Donnelly on the other hand concerning patent expiration and patent misuse regarding the '193 patent. A judicial determination of the patent expiration and patent misuse regarding the '193 patent is necessary and appropriate in order to resolve this controversy.

92. Pursuant to the Federal Declaratory Judgment Act, 28 U.S.C. § 2201 et seq., Magna Donnelly requests a declaratory judgment that the '193 patent is expired and has been misused.

JURY DEMAND

93. Plaintiff Magna Donnelly demands a trial by jury of all issues triable by jury.

PRAYER FOR RELIEF

WHEREFORE, Magna Donnelly respectfully requests that this Court enter judgment in its favor and against Dura, and grant the following relief:

- A. adjudge that the claims of each of the Patents-in-Suit are invalid;
- B. adjudge that the claims of the Patents-in-Suit are not infringed, under any theory, and have not been infringed, by any product made, used, offered for sale, or sold by Magna Donnelly;
- C. adjudge that Magna Donnelly did not induce infringement of any claims of the Patents-in-Suit;
- D. adjudge that Magna Donnelly is not a contributory infringer of any claims of the Patents-in-Suit;
- E. adjudge that the Patents-in-Suits are unenforceable;
- F. preliminarily and permanently enjoin Dura, its officers, directors, servants, managers, employees, agents, successors and assignees, and all persons in active concert or participation with any of them from directly or indirectly charging Magna Donnelly with infringement of the Dura Patents under any theory;
- G. declare that this case is exceptional and award Magna Donnelly its attorney's fees, costs and expenses; and

H. grant Magna Donnelly such other and further relief as the Court may deem just and appropriate.

Respectfully submitted,

HOWARD & HOWARD ATTORNEYS PLLC

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