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2000 OCT -6 P 4: 25

UNITED STATES
DISTRICT COURT

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

ASAHI KOGAKU KOGYO
KABUSHIKI KAISHA,

Plaintiff,

v.

SAMSUNG OPTO-ELECTRONICS
AMERICA, INC., and SAMSUNG
TECHWIN CO., LTD. (formerly
SAMSUNG AEROSPACE
INDUSTRIES, LTD.,

Defendants.

Civil Action No.

00-4893

(NHR)

FILED

OCT 16/00

AT 8:30
WILLIAM T. WALSH, CLERK

COMPLAINT FOR PATENT
INFRINGEMENT AND
DECLARATORY JUDGMENT
OF NONINFRINGEMENT,
INVALIDITY AND/OR
UNENFORCEABILITY AND
DEMAND FOR JURY TRIAL

Plaintiff Asahi Kogaku Kogyo Kabushiki Kaisha (hereinafter referred to as "Asahi," "Pentax" or "Plaintiff"), by its attorneys, alleges against Defendants Samsung Techwin Co., Ltd. (formerly Samsung Aerospace Industries, Ltd.) and Samsung Opto-Electronics America, Inc. (collectively "Samsung" or "Defendants") as follows:

THE PARTIES

1. Asahi is a corporation of Japan, having its principal place of business at 36-9, Maenocho 2-chome, Itabashi-ku, Tokyo 174-8639, Japan.
2. Asahi, a leading camera manufacturer, famous for its Pentax brand cameras, introduced compact zoom lens shutter cameras to the world during the 1980's. To this day, Asahi is a leader in the compact zoom lens shutter camera business.

3. Samsung Opto-Electronics America, Inc., upon information and belief, is a New Jersey corporation with its principal office at 40 Seaview Drive, Secaucus, New Jersey. Upon further information and belief, Samsung Opto-Electronics America, Inc. imports, distributes and/or sells compact zoom lens shutter cameras in the United States.

4. Samsung Techwin Co., Ltd. (formerly Samsung Aerospace Industries, Ltd.), upon information and belief, is located at 145-3 Sangdaewon-dong, Jungwongu, Sungnam, Kyunggido, Korea. Upon further information and belief, Samsung Techwin Co., Ltd. manufactures, imports, distributes and/or sells compact zoom lens shutter cameras in the United States.

5. Samsung Techwin Co., Ltd. has a subsidiary, Samsung Aerospace Industries, Inc., located at 105 Challenger Road, Ridgefield Park, New Jersey.

6. Upon information and belief, in February 1995, Samsung Techwin Co., Ltd. (formerly Samsung Aerospace Industries, Ltd.) acquired Rollei Fototechnic GmbH, Salzdaehler Str. 196, 38126, a German camera maker. Rollei's U.S. office is located at the same place as Samsung Opto-Electronics America Inc., *i.e.*, at 40 Seaview Drive, Secaucus, NJ 07094.

7. Upon information and belief, Samsung Opto-Electronics America, Inc. sells and distributes Samsung and Rollei cameras in the United States.

JURISDICTION AND VENUE

8. Subject matter jurisdiction of this Court is proper under 28 U.S.C. §§1331, 1332, 1338(a), 2201 and 2202.

9. This Court can properly exercise personal jurisdiction over Samsung Opto-Electronics America, Inc.

10. This Court can properly exercise personal jurisdiction over Samsung Techwin Co., Ltd. (formerly Samsung Aerospace Industries, Ltd.).

11. Venuc for the present action properly lies against Samsung Opto-Electronics America, Inc. in this District pursuant to 28 U.S.C. §§ 1391(c) and 1400(b).

12. Venuc for the present action properly lies against Samsung Techwin Co., Ltd. in this District pursuant to 28 U.S.C. § 1391(d).

THE PATENTS-IN-SUIT

13. U.S. Patent No. 6,094,535, entitled "Zoom Lens Drive System For Lens Shutter Type Of Camera" was duly and legally issued on July 25, 2000 ("the '535 patent"). A copy of this patent is attached hereto as Exhibit 1.

14. U.S. Patent No. 5,966,551, entitled "Lens Shutter Camera Including Zoom Lens" was duly and legally issued on October 12, 1999 ("the '551 patent"). A copy of this patent is attached hereto as Exhibit 2.

15. U.S. Patent No. 5,713,051, entitled "Lens Shutter Camera Including Zoom Lens" was duly and legally issued on January 27, 1998 ("the '051 patent"). A copy of this patent is attached hereto as Exhibit 3.

16. U.S. Patent No. 5,598,240, entitled "Zoom Lens Drive System For Lens Shutter Type Of Camera" was duly and legally issued on January 28, 1997 ("the '240 patent"). A copy of this patent is attached hereto as Exhibit 4.

17. U.S. Patent No. 5,583,596, entitled "Lens Shutter Camcra Including Zoom Lens" was duly and legally issued on December 10, 1996 ("the '596 patent"). A copy of this patent is attached hereto as Exhibit 5.

18. U.S. Patent No. 5,386,740, entitled "Rotary Foccd Mechanism" was duly and legally issued on February 7, 1995 ("the '740 patent"). A copy of this patent is attached hereto as Exhibit 6.

19. The Asahi patents recited in paragraphs 13 - 18 are hereinafter collectively referred to as the "Asahi Patents-in-suit."

20. Each of the Asahi Patents-in-suit is properly owned by Asahi.

BACKGROUND OF DISPUTE

21. Pentax has been a leader in the photographic field for many years. Many Pentax innovations have become standards in the industry.

22. In the mid-1980's, Pentax developed the world's first fully automatic 35mm compact lens shutter camera with a built-in zoom lens (IQ Zoom).

23. In fact, Asahi was the first company to successfully develop and market compact motor-driven zoom lens shutter cameras.

24. Prior to Asahi's invention of the compact motor-driven zoom lens shutter camera, still cameras manufactured by most major camera manufacturers were generally classified as either SLR cameras or lens shutter cameras having either a fixed focal length lens or a bifocal lens. In association with the development of its motor-driven compact zoom lens shutter cameras, Asahi filed patent applications covering fundamental aspects of such cameras.

25. Asahi, and its U.S. subsidiary, Pentax Corporation ("Pentax"), jointly introduced their first commercial compact zoom lens shutter camera with a motor-driven zoom lens (as part of the "IQ Zoom" product line) to the U.S. market in early 1987.

26. The IQ Zoom was an immediate commercial success when introduced into the U.S.

27. Pentax compact zoom lens shutter cameras have won numerous industry awards.

28. Since the introduction of the first IQ Zoom camera in the U.S., Asahi has continued its research and development efforts to develop and improve further its compact zoom lens shutter

cameras, and has filed patent applications and obtained patents around the world covering various novel improvements.

29. After Asahi's introduction of its IQ Zoom camera, other camera manufacturers began selling compact zoom lens shutter cameras in the U.S. and throughout the world. In short, Asahi's invention of the compact motor-driven zoom lens shutter camera created an entire new category of cameras.

30. Upon information and belief, Samsung began selling compact zoom lens shutter cameras in the U.S. sometime during 1989.

31. In 1991, Asahi notified Samsung that its compact zoom lens shutter cameras infringed Asahi patents.

32. After lengthy negotiations, Asahi and Samsung entered into an Agreement, in June, 1994 (hereinafter referred to as the "License Agreement") under which Asahi licensed Samsung under certain Asahi patents and Samsung licensed Asahi under certain Samsung patents.

33. In accordance with the License Agreement, paragraph 6, Samsung was authorized to incorporate Asahi's patented technology (under certain Asahi patents) in its compact zoom lens shutter cameras until December 10, 1999.

34. During the period that Samsung was licensed under Asahi's patents, Samsung incorporated many of Asahi's patented inventions into its cameras, including one or more inventions protected by the Asahi Patents-in-suit, and upon information and belief, Samsung's share of the compact zoom lens shutter camera market during that period increased.

35. Asahi's license to Samsung expired on December 10, 1999; thus, after that date, Samsung was no longer authorized to incorporate Asahi's patented technology in Samsung cameras.

36. Asahi contacted Samsung to negotiate a new patent license agreement prior to the expiration of Asahi's license to Samsung. Samsung did not obtain a new license in any of Asahi's patents and is now willfully infringing many Asahi patents.

INFRINGEMENT

37. Defendants have made, used, offered to sell, and/or sold in the United States, and/or imported into the United States, compact zoom lens shutter cameras covered by one or more of the Asahi Patents-in-suit without Asahi's authorization.

38. Defendants continue to make, use, offer to sell and/or sell in the United States, and/or import into the United States, compact zoom lens shutter cameras covered by one or more of the Asahi Patents-in-suit without Asahi's authorization.

39. One or more claims of each of the Asahi Patents-in-suit is infringed by one or more compact zoom lens shutter cameras made, used, offered for sale, sold and/or imported by Defendants.

40. In letters dated December 27, 1999, February 16, 2000, and July 7, 2000, Asahi notified Samsung that certain Samsung and Rollei camera models (manufactured by Samsung) infringed specific Asahi patents.

41. At least each of the following Samsung and Rollei camera models infringe at least one or more of the Asahi Patents-in-suit: Samsung Maxima 60, 70, 80, 90, 105, 130 and 140; Samsung Evoca 70, 115, 140 and 170; Samsung Impax 210 and 300; Rollei Prego 70, 90, 115, 125, 140 and 145; and, Rollei Nano 60 and 80.

42. Defendants' infringement of each of the Asahi Patents-in-suit by the above identified models has been, and continues to be, willful.

**DECLARATORY JUDGMENT FOR
NONINFRINGEMENT, INVALIDITY AND/OR UNENFORCEABILITY
OF SAMSUNG'S PATENTS**

43. Asahi incorporates by reference the allegations of paragraphs 1-12 and 21-36 above as if more fully set forth herein.

44. In a letter dated February 29, 2000 (Exhibit 7), Samsung Techwin accused specific Asahi camera models of infringing certain U.S. Patents. In particular, Samsung Techwin accused the IQ-ZOOM-105WR of infringing U.S. Patent No. 5,548,450; the IQ-ZOOM-140M, 160 and 200 of infringing U.S. Patent No. 5,566,026; the IQ-ZOOM EZYR of infringing U.S. Patent No. 5,848,303; the IQ-ZOOM-105WR of infringing U.S. Patent No. 5,900,991; and the ZX-7 of infringing U.S. Patent No. Des. 390,860.

45. In a letter dated May 19, 2000 (Exhibit 8), Samsung Techwin additionally accused the MZ-30 of infringing U.S. Patent No. Des. 390,860 and the IQZOOM-145M super of infringing U.S. Patent No. 5,566,026.

46. Upon information and belief, Samsung Aerospace Industries, Ltd. (now Samsung Techwin) is the assignee of record of U.S. Patent Nos. 5,548,450 (Exhibit 9); 5,566,026 (Exhibit 10); 5,848,303 (Exhibit 11); 5,900,991 (Exhibit 12); and Des. 390,860 (Exhibit 13) (hereinafter collectively referred to as the "Samsung Patents-in-suit").

47. Asahi is free of any liability with respect to the Samsung Patents-in-suit because (a) the Asahi camera models identified in the Samsung letters dated February 29, 2000 and May 19, 2000 are not within the scope of the claims of any of the Samsung Patents-in-suit, and/or (b) the Samsung Patents-in-suit are invalid and/or unenforceable under Title 35 of the United States Code.

48. Certain Asahi camera models, including all of those that Samsung has accused of infringement (*see* ¶¶ 44 and 45 above), are presently licensed from Samsung under U.S. Patent Nos. 5,548,450; 5,566,026; 5,848,303; and 5,900,991, in accordance with the License Agreement.

UNENFORCEABILITY FOR INEQUITABLE CONDUCT

49. Upon information and belief, one or more of the Samsung Patents-in-suit are unenforceable for inequitable conduct before the United States Patent and Trademark Office ("USPTO").

Samsung's U.S. Patent No. 5,900,991

50. Samsung's U.S. Patent No. 5,900,991 is unenforceable because of inequitable conduct before the USPTO.

51. In particular, Samsung (including each inventor named in the application; each attorney or agent who prepared or prosecuted the application; and/or every other person who was substantively involved in the preparation or prosecution of the application and who was associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application) failed to submit material prior art references to the USPTO Examiner during the prosecution of the application that matured into U.S. Patent No. 5,900,991.

52. During the prosecution of a British patent application that corresponds to the application that matured into U.S. Patent No. 5,900,991, (British Application No. GB 9718412), the British Examiner cited thirteen "X" references referenced in a Search Report dated November 14, 1997 (Exhibit 14), that he asserted rendered at least claim 1 of the British patent application unpatentable.

53. Claim 1 of U.S. Patent No. 5,900,991 is the same as claim 1 of British Application No. GB 9718412, which the British Examiner asserted was unpatentable in view of the thirteen "X" references.

54. An "X" reference is a document in and of itself indicating lack of novelty or inventive step, *i.e.*, non-patentable.

55. The "X" references cited in the Search Report are: US 5,418,647; US 5,126,884; US 5,412,508; US 5,436,683; US 5,353,163; GB 2296340; GB 2276013; GB 2269637; GB 2263345; GB 2258320; GB 2258056; GB 2240637; and GB 2184865.

56. After the rejection of original claim 1 as unpatentable, original claim 1 of the British patent application was not pursued by Samsung, which instead elected to continue with other claims.

57. Samsung knew of these "X" references during the prosecution of the application that matured into U.S. Patent No. 5,900,991.

58. Samsung knew, or should have known, that one or more of these "X" references were highly material to the subject matter claimed in U.S. Patent No. 5,900,991.

59. In particular, at least one of the "X" references, GB 2240637, which corresponds to United States Patent No. 5,164,859 (Exhibit 15), renders one or more claims of U.S. Patent No. 5,900,991 invalid for anticipation under 35 U.S.C. § 102.

60. Samsung never disclosed or submitted any of these "X" references to the USPTO Examiner for consideration.

61. Samsung's knowledge of the highly material "X" references and Samsung's failure to disclose any of these references to the USPTO, including but not limited to the anticipatory GB 2240637, demonstrate that Samsung intended to mislead the USPTO.

Samsung's U.S. Patent No. 5,566,026

62. Samsung's U.S. Patent No. 5,566,026 is also unenforceable because of Samsung's inequitable conduct before the USPTO.

63. During the prosecution of the application that matured into U.S. Patent No. 5,566,026, the applicant submitted U.S. Patent No. 4,983,207 ("Kojima") (Exhibit 16) to the USPTO in an Information Disclosure Statement ("IDS").

64. The IDS did not discuss the disclosure of Kojima, nor disclose the high materiality of the Kojima reference.

65. The Kojima reference invalidates one or more claims of U.S. Patent No. 5,566,026, and more specifically, inherently anticipates at least claim 1 of U.S. Patent No. 5,566,026.

66. Examples 12, 13 and 14 of Kojima inherently satisfy all the limitations of at least claim 1 of U.S. Patent No. 5,566,026.

67. Upon information and belief, the Patent Examiner was not informed of and/or did not fully appreciate the inherent characteristics of Kojima.

68. Although Kojima inherently discloses all the limitations of at least claim 1 of U.S. Patent No. 5,566,026, Kojima does not expressly disclose some of those limitations. These limitations can only be obtained by performing calculations for each of the examples in the patent, of which the three noted embodiments are highly material.

69. Upon information and belief, Samsung (including each inventor named in the application; each attorney or agent who prepared or prosecuted the application; and/or, every other person who was substantively involved in the preparation or prosecution of the application and who was associated with the inventor, with the assignee or with anyone to whom there is an obligation to

assign the application) knew or should have known the inherent disclosure of the Kojima reference, and the values obtained from Examples 12, 13 and 14.

70. Upon information and belief, Applicants knew or should have known that Examples 12, 13 and 14 anticipated at least claim 1 of U.S. Patent No. 5,566,026.

71. Applicants should have disclosed to the Patent Examiner that certain examples of Kojima inherently satisfied all the limitations of at least claim 1 of U.S. Patent No. 5,566,026.

72. Samsung's failure to disclose the inherent disclosure of Examples 12, 13 and 14 of Kojima to the Patent Examiner, which Samsung knew or should have known to be highly material, demonstrates Samsung's intent to mislead the USPTO.

Samsung's U.S. Patent No. 390,860

73. Samsung's U.S. Patent No. 390,860 is also unenforceable because of inequitable conduct before the USPTO.

74. In particular, Samsung (including each inventor named in the application; each attorney or agent who prepared or prosecuted the application; and/or every other person who was substantively involved in the preparation or prosecution of the application and who was associated with the inventor, with the assignee or with anyone to whom there is an obligation to assign the application) failed to submit at least one highly material prior art reference to the USPTO Examiner during the prosecution of the application that matured into U.S. Patent No. Dcs. 390,860.

75. The Pentax MZ-5/ZX-5 was displayed at the 1996 PMA show, at which Samsung displayed its own products.

76. Samsung knew, or should have known, about the Pentax MZ-5/ZX-5 SLR camera during the prosecution of the application that matured into U.S. Patent No. Dcs. 390,860.

77. The Pentax MZ-5/ZX-5 SLR camera is highly material prior art to U.S. Patent No. Des. 390,860.

78. Samsung did not disclose any information about the Pentax MZ-5/ZX-5 SLR camera to the USPTO.

79. Samsung's knowledge of the highly material Pentax MZ-5/ZX-5 SLR camera, and Samsung's failure to disclose any information about this camera to the USPTO, demonstrates that Samsung intended to mislead the USPTO.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff seeks a judgment against Defendants as follows:

a. Declaring that Defendants infringed each of the Asahi Patents-in-suit and that such infringement has been willful;

b. Awarding Plaintiff lost profits, and/or a reasonable royalty, including damages for price erosion, to properly compensate Plaintiff for Defendants' infringement of each of the Asahi Patents-in-suit;

c. Enjoining each of Defendants and their respective agents from making, using, offering to sell, selling and/or importing into the United States, any camera which infringes any of the Asahi Patents-in-suit in accordance with 35 U.S.C. § 283;

d. Awarding Plaintiff increased damages in the amount of three times the damages found or assessed in accordance with 35 U.S.C. § 284;

e. Awarding Plaintiff its costs and attorneys' fees in accordance with 35 U.S.C. § 285;

f. Declaring that Asahi is free of any liability with respect to the Samsung Patents-in-suit because (a) Asahi's camera models are not within the scope of the claims of any of the Samsung

Patents-in-suit, and/or (b) the Samsung Patents-in-suit are invalid and/or unenforceable under 35 U.S.C.;


g. Declaring that Asahi is still licensed under the License Agreement entered into in June, 1994, and thus the Asahi cameras that Samsung has accused of infringing Samsung utility patents (see ¶¶ 44 and 45 above) have been and continue to be licensed under the Samsung Patents-in-suit; and,

h. Awarding Plaintiff such other and further relief as the Court may deem just and proper.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial as to all issues so triable.

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By: 
ROBERT J. KIPMEES (BK 2765)

DATED: October 6, 2000

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