**≈JS** 44 (Rev. 12/07)

#### **CIVIL COVER SHEET**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of mitiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

L (a) PLAINTIFFS			DEFENDANT	`S		
AllTech Comm	unications, LLC		TelWorx Communications, LLC; and Scronce, Tim			
(b) County of Residence	of First Listed Plaintiff EXCEPT IN U.S. PLAINTIFF CA	Tulsa County (SES)	NOTE: IN L	County of Residence of First Listed Defendant  (IN U.S. PLADNIFF CASES ONLY)  NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE LAND INVOLVED.		
(c) Attorney's (Farm Name	e, Address, and Telephone Numb	er)	Attorneys (If Known)			
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klahoma City, OK 731				F PRINCIPAL PARTIES	(Place as "X" in One Box for Plaintiff	
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VI. CAUSE OF ACTI	[][		e filing (Do not cite jurisdict	ional statutes unless diversity).		
	Brief description of ca Patent Intringer					
VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23			DEMAND 8 To be proven at trial			
VIII. RELATED CAS IF ANY	E(S) (See instructions):	JUDGE Terence	e Kern	DOCKET NUMBER 4	:08-cv-00210-TCK-TLW	
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# IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OKLAHOMA

(1) ALLTECH COMMUNICATIONS,	)	
LLC,	)	
	)	
Plaintiff,	)	
	)	Case No. 09-CV-276-JHP-FHM
v.	)	
	)	(Related Case No: 4:08-cv-00210-TCK-
(1) TELWORX COMMUNICATIONS,	)	TLW)
LLC and	)	
(2) TIM SCRONCE,	)	
	)	
Defendants.		

### **COMPLAINT**

Plaintiff AllTech Communications, LLC ("AllTech") for its Complaint against the defendants TelWorx Communications, LLC ("TelWorx") and Tim Scronce ("Scronce")(together "the Defendants") states as follows:

## **Nature of the Action**

1. This action seeks to recover damages owed to AllTech by defendants as a result of Defendants' actions in selling and offering for sale products which infringe U.S. Patent No. 7,062,883 ("the '883 patent"), and for inducing infringement of the '883 patent. This action also includes claims for Defendants' misappropriation of AllTech's trade secrets, deceptive trade practices, and unfair competition.

### **Jurisdiction**

2. This Court is vested with jurisdiction under 28 U.S.C. § 1138 and 28 U.S.C. § 1331, as an action arising under the United States patent laws. This Court has

supplemental jurisdiction over the claims in this Complaint which arise under the statutory and common law of the State of Oklahoma pursuant to 28 U.S.C. § 1367(a).

#### **Venue**

3. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b). The acts of infringement, misappropriation, unfair competition, and deceptive trade practices that are the subject of this litigation occurred and are occurring in the Northern District of Oklahoma; Defendants' unlawful activities may be found in the Northern District of Oklahoma; the claims alleged in this action arose in the Northern District of Oklahoma; and victims of Defendants' unlawful activities may be found in the Northern District of Oklahoma.

## **The Parties**

- 4. AllTech is a limited liability company organized under the laws of the State of Oklahoma and has its principal place of business in Tulsa, Oklahoma. AllTech manufactures and services portable cellular towers used for communication and other uses.
- 5. Defendant TelWorx is a limited liability company organized under the laws of the State of North Carolina and has its principal place of business at 364 Dixon Street in Lexington, North Carolina. TelWorx intentionally committed acts of misappropriation, patent infringement, unfair competition, and deceptive trade practices aimed at Oklahoma and residents of Oklahoma, with knowledge that the brunt of the injury would be felt by Plaintiff in Oklahoma.

6. Defendant Tim Scronce is a managing member, President, and Chief Executive Officer of TelWorx. Upon information and belief, Scronce resides in North Carolina. Scronce intentionally committed acts of misappropriation, patent infringement, unfair competition, and deceptive trade practices aimed at Oklahoma and residents of Oklahoma, with knowledge that the brunt of the injury would be felt by Plaintiff in Oklahoma.

# **Background**

- 7. AllTech is the owner of United States Patent No. 7,062,883 ("the '883 patent") titled "Self Guying Communication Tower." The '883 patent issued to Laurence H. Langholz and Robert C. Brothers on June 20, 2006. A copy of the '883 patent is attached as Exhibit 1. Mr. Langholz and Mr. Brothers assigned the '883 patent to AllTech on March 16, 2001. A copy of the assignment is attached as Exhibit 2.
- 8. In 2007, TelWorx was a valued customer of AllTech for portable communication towers.
- 9. In or about August 2007, TelWorx and its officers, including Defendant Scronce and Christopher S. Ready, Vice President of Sales for TelWorx, participated in setting up TowerWorx International, Inc. ("TowerWorx") in Pryor, Oklahoma to manufacture competing communication towers. These competing towers infringe the '883 patent. After the formation of TowerWorx, TelWorx ceased purchasing portable communication towers from AllTech and started selling the portable communication

towers manufactured by TowerWorx. TowerWorx has been sued for patent infringement by AllTech in a separate action pending in the Northern District of Oklahoma.

- 10. In setting up TowerWorx to manufacture the infringing communication towers and in selling the infringing communication towers, TelWorx and Scronce intentionally and knowingly used AllTech's trade secrets and used improper means to acquire AllTech's trade secrets, including but not limited to customer lists, technical drawings, and financial information. Defendants also used AllTech's product pictures on the TowerWorx website to sell competing cellular towers.
- 11. Defendants acquired AllTech's trade secrets and product pictures from Robert Brothers, a member and former employee of AllTech, and Pam Abel, a former employee of AllTech. Robert Brothers and Pam Abel had signed an Employee Acknowledgement Form by which they agreed to comply with the policies contained in AllTech's Employee Handbook, including non-disclosure provisions relating to the trade secrets. Additionally, Robert Brothers was bound by various fiduciary duties to AllTech not to misappropriate AllTech's trade secrets.
- 12. At all times, AllTech's trade secrets were subject to reasonable efforts to maintain their secrecy, including but not limited to AllTech's non-disclosure provisions in the employee handbook, AllTech's restriction of access to confidential business information, protection of confidential information on password-protected computers, and protection of information in locked or attended offices. AllTech's trade secret

information derives independent economic value from not being generally known to, or readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

- 13. In acquiring AllTech's trade secret information, TelWorx's officers and employees, including Scronce, directly communicated with Brothers and Abel during their employment at AllTech in Oklahoma, via email and by phone. These communications involved setting up TowerWorx in Oklahoma, acquiring AllTech's trade secrets in Oklahoma, using AllTech equipment and trade secrets to set up TowerWorx, using photographs of AllTech communication towers market and to TowerWorx/TelWorx communication towers. TelWorx has also made purchases from Oklahoma companies related to the start-up of TowerWorx. Upon information and belief, Defendant Scronce traveled to Oklahoma to help set up TowerWorx and to further TelWorx' unlawful acts in Oklahoma. The actions of TelWorx' employees were within the course and scope of their employement.
- 14. TelWorx offers an interactive website on which it advertises and offers for sale infringing communication towers. The website provides for live chat capabilities through which users, including Oklahoma residents, can buy and sell products. TelWorx' website also has a customer sign-in for existing customers.

- 15. In performing the actions described above, TelWorx was acting at the direction of Scronce, and Scronce participated in and had full knowledge of the unlawful activities of TowerWorx.
- 16. Defendant Scronce used TelWorx as an instrument to carry out his plans to infringe the '883 patent, misappropriate AllTech's trade secrets, unfairly compete with AllTech, and perform deceptive trade practices.

# COUNT 1 MISAPPROPRIATION OF TRADE SECRETS (78 O.S. § 85 et seq.)

- 17. Plaintiff incorporates and realleges the allegations in paragraphs 1 15 above.
- 18. Defendants have acquired AllTech's trade secrets, and knew or had reason to know that the trade secrets were acquired by improper means.
- 19. Defendants have used AllTech's trade secrets without express or implied consent. Defendants used improper means to acquire knowledge of the trade secret, and defendants knew or had reason to know that their knowledge of the trade secrets was derived from persons who utilized improper means to acquire the trade secrets and who owed a duty to Plaintiff to maintain their secrecy and limit their use.
- 20. Defendants' actions constitute misappropriation of trade secrets under 78 O.S. § 86.

- 21. Defendants' misappropriation of AllTech's trade secrets has caused and will continue to cause serious and irreparable injury to AllTech, for which AllTech is without adequate remedy at law. Because of Defendants' misappropriation, AllTech is entitled to an injunction pursuant to 78 O.S. § 87.
- 22. Because of Defendants' misappropriation, AllTech has been injured and damaged, and is entitled to the recovery of damages pursuant to 78 O.S. § 88.

# COUNT 2 PATENT INFRINGEMENT (35 U.S.C. § 271)

- 23. Plaintiff incorporates and realleges the allegations in paragraphs 1 21 above.
- 24. By virtue of its ownership of the '883 patent, AllTech has the right to sue for infringement of the '883 patent and recover for infringement thereof.
- 25. In setting up TowerWorx to manufacture infringing communication towers, Defendants induced infringement of the '883 patent. In selling and offering to sell the infringing product, Defendants have directly infringed the '883 patent. Defendants will continue their infringement unless enjoined by this Court pursuant to 35 U.S.C. § 283.
- 26. The infringement by Defendants was willful and deliberate, and AllTech is entitled to treble damages under 35 U.S.C. § 284.

27. As a direct result of the infringing activities of Defendants, AllTech has suffered injuries in an amount to be determined at trial, and is entitled to damages under 35 U.S.C. § 284.

## COUNT 3 UNFAIR COMPETITION

- 28. Plaintiff incorporates and realleges the allegations in paragraphs 1-26 above.
- 29. The acts alleged above constitute unfair competition under the common law of Oklahoma.
- 30. As a direct result of the unfair competition of Defendants, AllTech has suffered injuries in an amount to be determined at trial.

# COUNT 4 VIOLATION OF THE OKLAHOMA DECEPTIVE TRADE PRACTICES ACT (78 O.S. § 51 et seq.)

- 31. Plaintiff incorporates and realleges the allegations in paragraphs 1 29 above.
- 32. Defendants have knowingly made a false representation as to the source, sponsorship, approval, or certification of AllTech's goods or services by using pictures of AllTech's products on TowerWorx' website, in violation of the Oklahoma Deceptive Trade Practices Act.

- 33. By using pictures of AllTech's products on TowerWorx' website, Defendants have represented that their goods are of a particular standard, quality, or grade, or that goods are a particular style or model, when they were another.
- 34. By using pictures of AllTech's products on TowerWorx' website, Defendants have advertised goods which differ from those offered for sale in the advertisements.
- 35. Defendants' deceptive trade practices have caused and will continue to cause serious and irreparable injury to AllTech, for which AllTech is without adequate remedy at law. Because of Defendants' misappropriation, AllTech is entitled to an injunction pursuant to 78 O.S. § 54.
- 36. Because of Defendants' deceptive trade practices, AllTech has been injured and damaged, and is entitled to the recovery of damages pursuant to 78 O.S. § 54.

WHEREFORE, AllTech respectfully requests as follows:

- A. That Defendants be held to have infringed the '883 patent, induced infringement of the '883 patent, violated Oklahoma's common law of unfair competition, misappropriated AllTech's trade secrets, and violated Oklahoma's Deceptive Trade Practices Act;
- B. That Defendants be permanently enjoined from infringing or inducing infringement of the '868 Patent, misappropriating or using AllTech's trade secrets, unfairly competing against AllTech, and using deceptive trade practices;

- C. That Defendants be ordered to fully compensate Plaintiff for all damages caused by Defendants;
  - D. That this case be deemed exceptional, and treble damages be awarded;
- E. That Defendants be required to account for all profits, gains, and unjust enrichment derived from their infringement;
  - F. That Plaintiff be awarded its attorneys' fees and costs in this action;
  - G. That Plaintiff be awarded an assessment of interest on the damages; and
- H. That Plaintiff be awarded such other and further relief as the Court deems just and equitable.

## JURY TRIAL DEMANDED

Respectfully submitted,

# s/ Phillip L. Free Jr.

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