

1 EDWARD R. REINES (Bar No. 135960)  
edward.reines@weil.com  
2 DEREK C. WALTER (Bar No. 246322)  
derek.walter@weil.com  
3 TIMOTHY C. SAULSBURY (Bar No. 281434)  
timothy.saulsbury@weil.com  
4 WEIL, GOTSHAL & MANGES LLP  
Silicon Valley Office  
5 201 Redwood Shores Parkway  
Redwood Shores, CA 94065  
6 Telephone: (650) 802-3000  
Facsimile: (650) 802-3100  
7

8 BRADFORD PAUL SCHMIDT (Bar No. 174440)  
bradford.schmidt@lifetech.com  
9 ADAM M. TSCHOP (Bar No. 209767)  
adam.tschop@lifetech.com  
LIFE TECHNOLOGIES CORPORATION  
10 5791 Van Allen Way  
Carlsbad, CA 92008  
11 Telephone: (760) 603-7200  
Facsimile: (760) 476-6048  
12

13 Attorneys for Plaintiffs  
LIFE TECHNOLOGIES CORPORATION and  
14 APPLIED BIOSYSTEMS, LLC

15 UNITED STATES DISTRICT COURT  
16 SOUTHERN DISTRICT OF CALIFORNIA

17  
18 LIFE TECHNOLOGIES CORPORATION,  
APPLIED BIOSYSTEMS, LLC, and  
19 INVITROGEN IP HOLDINGS, INC.

20 Plaintiffs,

21 v.

22 PROMEGA CORPORATION,

23 Defendant.  
24  
25  
26  
27  
28

Case No. '12CV2987 JAH KSC

**COMPLAINT FOR DECLARATORY  
JUDGMENT**

**JURY TRIAL DEMANDED**

1 Plaintiffs Life Technologies Corporation (“Life Tech”), Applied Biosystems, LLC  
2 (“ABLLC”), and Invitrogen IP Holdings, Inc. (“IVGN IP”) (collectively “Plaintiffs”) for their  
3 complaint against Defendant Promega Corporation (“Promega”) allege as follows:

4 **NATURE OF THIS ACTION**

5 1. This action arises under 28 U.S.C. §§ 1331, 1332, 2201, and 2202, and the  
6 United States Patent Act, 35 U.S.C. § 100 *et seq.*

7 2. As set forth in further detail below, pursuant to a June 1996 license  
8 agreement (“June 1996 License Agreement”) between Promega and Research Genetics, Inc.  
9 (“Research Genetics”), Plaintiffs have retained all rights necessary under U.S. Patent No. Re  
10 37,984 (the “’984 patent”) related to cell line authentication/identification uses, including without  
11 limitation the rights to use, make, have made, sell, offer for sale, import and/or export products  
12 for cell line authentication/identification uses. Promega disputes that Plaintiffs (and their  
13 affiliates) have retained such rights in the June 1996 License Agreement and under the ’984  
14 patent.

15 3. Plaintiffs bring this action, first, for a declaration that the parties’ dispute  
16 over whether Plaintiffs (and their affiliates) have retained such rights in the June 1996 License  
17 Agreement and under the ’984 patent should be resolved in binding arbitration pursuant to  
18 Section 22.0 of the June 1996 License Agreement.

19 4. In addition, Plaintiffs bring this action for a declaration that Plaintiffs (and  
20 their affiliates) have retained all such rights in the June 1996 License Agreement and under the  
21 ’984 patent and that their (and their affiliates’) activities relating to the recently released  
22 AuthentiFiler™ products do not and will not directly infringe (whether literally or under the  
23 doctrine of equivalents), and do not and will not indirectly infringe (whether by contributory  
24 infringement or inducement of infringement), any claim of the ’984 patent.

25 **PARTIES**

26 5. Plaintiff Life Tech is a corporation organized under the laws of Delaware  
27 with a principal place of business located at 5791 Van Allen Way, Carlsbad, California.

1           6. Plaintiff ABLLC is a limited liability corporation organized under the laws  
2 of Delaware with a principal place of business located at 5791 Van Allen Way, Carlsbad,  
3 California. ABLLC is a wholly-owned subsidiary of Life Tech.

4           7. Plaintiff IVGN IP is a corporation organized under the laws of Delaware  
5 with a principal place of business located at 5791 Van Allen Way, Carlsbad, California. IVGN IP  
6 is a wholly-owned subsidiary of Life Tech.

7           8. On information and belief, Defendant Promega is a Wisconsin corporation  
8 with a principal place of business located at 2800 Woods Hollow Road, Madison, WI 53711.

9           9. On information and belief, Defendant has, and has had, continuous and  
10 systematic contacts with the State of California, including this District. On information and  
11 belief, Defendant has also purposefully directed a broad range of business activities at this  
12 District, including among other things research, sales, support services, processing, and related  
13 services. On information and belief, residents of this District have used products sold by or from  
14 Defendant.

15   **JURISDICTION**

16           10. This action arises under the Patent Laws of the United States of America,  
17 35 U.S.C. § 1 *et seq.* This Court has federal question jurisdiction under 28 U.S.C. § 1331 and 28  
18 U.S.C. § 1338(a) because this is a civil action arising under the Patent Act.

19           11. This Court also has subject matter jurisdiction under the doctrine of  
20 diversity jurisdiction pursuant to 28 U.S.C. § 1332. Each of the individual Plaintiffs are  
21 incorporated in Delaware and have their principal places of business in California. Promega, on  
22 the other hand, is incorporated in and has its principal place of business in the State of Wisconsin.  
23 Accordingly, diversity jurisdiction exists, pursuant to 28 U.S.C. § 1332, because there is complete  
24 diversity between each of the Plaintiffs and Promega, and the amount in controversy exceeds  
25 \$75,000, exclusive of interests and costs.

26           12. This Court also has subject matter jurisdiction according to the Declaratory  
27 Judgment Act, 28 U.S.C. §§ 2201 and 2202, because an immediate and substantial controversy  
28 exists between Plaintiffs and Promega with respect to (1) whether their dispute over the June

1 1996 License Agreement should be resolved in binding arbitration, and (2) whether Plaintiffs  
2 (and their affiliates) have retained all rights in the June 1996 License Agreement and under the  
3 '984 patent related to cell line authentication/identification uses, including without limitation the  
4 rights to use, make, have made, sell, offer for sale, import and/or export products for cell line  
5 authentication/identification uses such as the Authentifiler™ products discussed below.

### 6 VENUE

7 13. Venue is proper in this District under 28 U.S.C. §§ 1391(b) and (c) because  
8 a substantial part of the events giving rise to Plaintiffs' claims occurred in this District and  
9 because Defendant is subject to personal jurisdiction in this District.

### 10 FACTUAL BACKGROUND

#### 11 Plaintiffs' License to the '984 Patent

12 14. On September 30, 1993 Research Genetics and Max-Planck-Gesellschaft  
13 entered into a license agreement, pursuant to which Research Genetics acquired exclusive  
14 worldwide patent rights to German patent number 38 34 636 and corresponding patent  
15 applications in the United States, Europe, and Japan. The scope of this license grant to Research  
16 Genetics encompassed exclusive rights to what would eventually become the '984 patent.

17 15. Subsequently, in June 1996, Research Genetics and Promega entered into a  
18 license agreement (the June in the 1996 License Agreement), pursuant to which Research  
19 Genetics granted Promega an exclusive license in certain fields, and a non-exclusive license in  
20 certain other fields, to German patent number 38 34 636 and corresponding patent applications in  
21 the United States, Europe, and Japan, including what would eventually become the '984 patent.  
22 Research Genetics retained rights in the June 1996 License Agreement and under the '984 patent  
23 for all other uses, including but not limited to cell line authentication/identification uses.

24 16. Subsequently Research Genetics was acquired by Invitrogen Corporation  
25 ("Invitrogen"), and in 2003 Invitrogen assigned the June 1996 License Agreement to IVGN IP, a  
26 wholly-owned subsidiary of Invitrogen. By virtue of this transaction, IVGN IP acquired *inter*  
27 *alia* the right to receive royalties for Promega's use of the '984 patent and to compel arbitration of  
28 disputes arising out of the June 1996 License Agreement.

1                   17.     Invitrogen later acquired Applied Biosystems Inc., which became Applied  
2     Biosystems, LLC, a wholly-owned subsidiary of Invitrogen.   Invitrogen subsequently became  
3     Life Tech, which resulted in IVGN IP and ABLLC becoming wholly-owned subsidiaries of Life  
4     Tech.   By virtue of this acquisition and merger, Life Tech is the successor in interest to the 1993  
5     license agreement between Research Genetics and Max-Planck-Gesellschaft, including the rights  
6     in German patent number 38 34 636 and corresponding patent applications in the United States,  
7     Europe, and Japan, including Research Genetics' rights in the '984 patent, and ABLLC enjoys  
8     access to those rights as a subsidiary of Life Tech.

9                   **Life Tech's Authentifiler™ Products**

10                  18.     Life Tech and ABLLC develop and manufacture single tandem repeat  
11     ("STR") based products for use in forensic DNA analysis and paternity testing.   These products  
12     utilize polymerase chain reaction ("PCR") technology to identify the number of STRs located at a  
13     variety of positions (called "loci") in the genome.   In general, the number of STRs at each loci  
14     differs from one person or organism to the next such that by looking at a number of loci and  
15     determining how many STRs are present at each, a unique DNA "fingerprint" for that person or  
16     organism can be generated.   As an example, the STR fingerprint allows the determination of  
17     whether a suspect's DNA "matches" DNA found at a crime scene.   Life Tech and ABLLC have  
18     sold and continue to sell these PCR analysis products under the umbrella tradename  
19     AmpF $\ell$ STR®.   Products sold under this tradename include the AmpF $\ell$ STR® COfiler® PCR  
20     Amplification Kit, the AmpF $\ell$ STR® Profiler® PCR Amplification Kit, the AmpF $\ell$ STR®  
21     Profiler® Plus PCR Amplification Kit, the AmpF $\ell$ STR® Yfiler® PCR Amplification Kit, and the  
22     AmpF $\ell$ STR® Identifiler® PCR Amplification Kit.   These products are and have been used  
23     extensively in forensics and paternity testing for many years.

24                  19.     More recently, Life Tech and ABLLC developed a new line of STR based  
25     products for cell line authentication/identification, which they began selling in December 2012  
26     under the tradename Authentifiler™.   Briefly, in biotech research, the misidentification of and  
27     contamination of cell lines presents a serious problem.   Research organizations, governmental  
28     entities, and scientific journals thus frequently require that the pedigree of cell lines be verified.

1 Like human beings and other organisms, cell lines also have a unique DNA fingerprints  
2 associated with them based on the number of STRs located at various loci in their genomes. Life  
3 Tech and ABLLC have developed various products for performing cell line  
4 authentication/identification based on multiplex PCR analysis using primers specific for STRs in  
5 the cell line genomic DNA. The Authentifiler™ products operate according to the same general  
6 principles as the AmpFℓSTR® products, and thus include the same general classes of  
7 components.

8           20. Life Tech and ABLLC have made a substantial investment to prepare for  
9 the commercial launch of the Authentifiler™ products. Specifically, Life Tech and ABLLC have  
10 invested resources in research and development efforts dedicated to the formulation and  
11 optimization of assays and the verification of assay performance, trained sales and marketing  
12 employees, and have developed specific marketing and sales materials directed to their  
13 Authentifiler™ products. These are among the many concrete and substantial steps that Life  
14 Tech and ABLLC have undertaken to prepare for commercial use and marketing of the  
15 Authentifiler™ products.

16           21. Importantly, the Authentifiler™ products are specifically marketed and  
17 labeled as being “For Cell Line Authentication use excluding Forensic, Paternity, Diagnostic, and  
18 Therapeutic applications.” Because Research Genetics retained rights to at least cell line  
19 authentication/identification uses when granting Promega its limited exclusive license to German  
20 patent number 38 34 636 and progeny (including the ’984 patent) pursuant to the June 1996  
21 License Agreement, and those retained rights are, and have always been, in the possession of Life  
22 Tech and its affiliates, accordingly the Authentifiler™ products are licensed under the ’984 patent  
23 and do not infringe. Promega disputes that Authentifiler™ products remain licensed under the  
24 ’984 patent.

25                           **Promega’s Prior Refusal to Arbitrate Disputes Related to the June 1996**  
26                           **Agreement**

27           22. The dispute of whether the Authentifiler™ products are licensed under the  
28 ’984 patent depends on interpretation of the June 1996 License Agreement between IVGN IP (as

1 the successor in interest to Research Genetics) and Promega. Accordingly, the parties' dispute  
2 should, in fact, be addressed in binding arbitration pursuant to Section 22.0 the June 1996 License  
3 Agreement, which provides *inter alia* that "[a]ll controversies or disputes arising out of or relating  
4 to this Agreement, or relating to the breach thereof, shall be resolved by arbitration . . . ."  
5 Therefore, concurrent with the filing of this Complaint, IVGN IP has sent written notice to  
6 Promega seeking arbitration of the instant dispute.

7           23. However, Promega has in the past refused to arbitrate disputes arising out  
8 of the June 1996 License Agreement, going to extreme lengths to resist arbitration. Specifically,  
9 in the May 2010 time frame, Promega refused to submit to arbitration of a routine dispute  
10 regarding Promega's failure to pay royalties under the June 1996 License Agreement. IVGN IP  
11 was thus forced to bring a motion in the United States District Court for the District of Wisconsin  
12 to compel arbitration.

13           24. In opposing the motion, Promega took the curious position that IVGN IP  
14 could not compel arbitration because there was some question as to whether IVGN IP existed.  
15 Promega even demanded limited discovery on this issue. After IVGN IP produced  
16 documentation demonstrating that Invitrogen had assigned its rights under the June 1996 License  
17 Agreement to IVGN IP, that Promega had consented to the assignment, and that IVGN IP  
18 continued to exist as a corporation in good standing, IVGN IP was forced to file a second motion  
19 to compel arbitration, which Promega again opposed. Ultimately, the district court entered an  
20 order rejecting all of Promega's arguments and ordering arbitration of the royalty dispute.

21           25. However, rather than submit to arbitration, Promega further appealed the  
22 order of the district court to the Court of Appeals for the Federal Circuit. There, Promega raised  
23 at least six different bases for why the parties' royalty dispute should not be resolved in binding  
24 arbitration. The Federal Circuit rejected all of Promega's bases for resisting arbitration and  
25 affirmed the district court's order compelling arbitration. *See, e.g., Promega Corp. v. Life Techs.*  
26 *Corp.*, 674 F.3d 1352 (Fed. Cir. 2012) (affirming the district court's order compelling Promega to  
27 litigate its royalty dispute with IVGN IP). Thus, IVGN IP was able to compel Promega to  
28

1 arbitrate only after multiple district court motions and a months-long Federal Circuit appeals  
2 process.

3           26. Based on Promega's prior refusal to arbitrate disputes pursuant to Section  
4 22.0 of the June 1996 License Agreement, there is a substantial and actual controversy between  
5 Plaintiffs and Promega regarding whether certain disputes should be arbitrated pursuant to section  
6 22.0 of the June 1996 License Agreement. Accordingly, Plaintiffs bring this declaratory  
7 judgment action asking the Court to declare that the instant licensing agreement dispute should be  
8 addressed in binding arbitration pursuant to Section 22.0 of the June 1996 License Agreement.

9           **Promega's Prior Assertion of the '984 Patent**

10           27. In May 2010, Promega initiated litigation against the Plaintiffs in the  
11 Western District of Wisconsin, alleging that certain AmpFLSTR® products infringed the '984  
12 patent. Promega pursued this litigation aggressively through summary judgment proceedings and  
13 a jury trial. At trial, Promega sought \$104 million in damages for infringement of the '984 patent  
14 and four other unrelated patents. Following the jury trial, the jury awarded \$52 million in  
15 damages for alleged infringement of these patents.

16           28. Although the \$52 million jury award did not survive post-trial briefing,  
17 Promega's very recent efforts to enforce the '984 patent against Plaintiffs, and the magnitude of  
18 damages it sought in connection with those efforts, demonstrate that there is a substantial and  
19 immediate controversy as to whether the newly released Authentifiler™ products infringe the  
20 '984 patent. Indeed, Plaintiff's are presently in the position of having to choose between either  
21 abandoning their new Authentifiler™ products, or running the risk of being sued by Promega for  
22 infringement, despite believing that the Authentifiler™ products are licensed under the '984  
23 patent and hence do not infringe.

24           29. Furthermore, Promega has also repeatedly made clear that it believes its  
25 patents have wide scope, and that it will attempt to enforce these patents in the broadest possible  
26 manner. Such statements were made in the context of Plaintiff's prior litigation with Promega,  
27 and were thus directed principally at Plaintiffs.

28



1           30. For instance, during the jury trial in that litigation, high ranking Promega  
2 officers testified that Promega was, in fact, seeking a “monopoly” in the general technical area of  
3 determining the individual from which a cell line came based on the use of STR products, among  
4 other technical areas. Specifically, Randall Dimond, Promega’s Vice President-Chief  
5 Technology Officer, testified as follows:

6           Q. And Promega wants a monopoly on selling kits to scientists who  
7           are – want to make sure that the cell lines they are looking at are –  
8           can trace back to the appropriate individual that they came from

8           A. Correct.

9           Q. And same for the other uses on Mr. Troupis’s chart?

9           A. That is correct.

10           31. Likewise, the CEO, Chairman, and founder of Promega, Mr. William  
11 Linton, testified with respect to the ’984 patent that it was a “key patent for STR technology.” Mr  
12 Dimond added that Promega’s patents, when considered collectively, “cover all STR loci.”  
13 Simply put, Promega has made clear that it believes it is impossible for the makers of STR  
14 products for cell line authentication/identification (such as Plaintiffs) to avoid infringement of its  
15 patents.

16           32. Given the foregoing, it is abundantly clear that Plaintiffs and the new  
17 Authentifiler™ products are targets for enforcement of the ’984 patent, creating a substantial and  
18 actual controversy between Plaintiffs and Promega with respect to the Authentifiler™ products of  
19 sufficient immediacy and reality to warrant the issuance of a declaratory judgment.

20           33. Accordingly, Plaintiffs further bring this declaratory judgment action  
21 asking the Court to declare that they have retained all rights in the June 1996 License Agreement  
22 and under the ’984 patent related to cell line authentication/identification, including without  
23 limitation the right to use, make, have made, sell, offer for sale, import and/or export products for  
24 cell line authentication/identification use, and hence that the Authentifiler™ products and all  
25 activities related thereto do not and will not directly (whether literally or under the doctrine of  
26 equivalents) or indirectly (whether by contributory infringement or inducement of infringement)  
27 infringe any claim of the ’984 patent, and have not done so in the past, which declaration is  
28 necessary and appropriate.

1 **CLAIMS FOR RELIEF**

2 **COUNT I**

3 **(Declaratory Judgment That Instant Licensing Agreement Dispute Should Be Arbitrated)**

4 34. Plaintiffs re-allege and incorporate by reference the allegations contained  
5 in paragraphs 1 through 33 above.

6 35. Plaintiffs seek a judicial declaration that the instant licensing agreement  
7 dispute should be addressed in binding arbitration pursuant to Section 22.0 of the June 1996  
8 License Agreement.

9 **COUNT II**

10 **(Declaratory Judgment That Plaintiffs Are Licensed Under U.S. Patent No. Re 37,984)**

11 36. Plaintiffs re-allege and incorporate by reference the allegations contained  
12 in paragraphs 1 through 33 above.

13 37. Plaintiffs seek a judicial declaration that they have retained all rights in the  
14 June 1996 License Agreement and under the '984 patent related to cell line  
15 authentication/identification, including without limitation the right to use, make, have made, sell,  
16 offer for sale, import and/or export products for cell line authentication/identification uses, and  
17 hence that the Authentifiler™ products and all activities related thereto do not and will not  
18 directly (whether literally or under the doctrine of equivalents) or indirectly infringe (whether by  
19 contributory infringement or inducement of infringement) any claim of the '984 patent, and have  
20 not done so in the past, which declaration is necessary and appropriate.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiffs pray for relief as follows:

23 A. Judgment in Plaintiffs favor on all claims for relief;  
24 B. A declaration in favor of Plaintiffs that the instant licensing agreement  
25 dispute should be addressed in binding arbitration pursuant to Section 22.0 of the June 1996  
26 License Agreement.

27 C. A declaration in favor of Plaintiffs that they have retained all rights in the  
28 June 1996 License Agreement and under the '984 patent related to cell line

1 authentication/identification uses, including without limitation the right to use, make, have made,  
2 sell, offer for sale, import and/or export products for cell line authentication/identification uses,  
3 and hence that the Authentifiler™ products and all activities related thereto do not and will not  
4 directly (whether literally or under the doctrine of equivalents) or indirectly infringe (whether by  
5 contributory infringement or inducement of infringement) any claim of the '984 patent, and have  
6 not done so in the past.

7 **DEMAND FOR JURY TRIAL**

8 Pursuant to Federal Rule of Civil Procedure 38(b) and Civil Local Rule 38.1,  
9 Plaintiffs hereby demand a trial by jury on all issues so triable.

10 Dated: December 17, 2012.

11 Respectfully submitted,

12 WEIL, GOTSHAL & MANGES LLP  
13 Edward R. Reines  
14 Derek C. Walter  
15 Timothy C. Saulsbury

16 By: 

17 Edward R. Reines  
18 Attorneys for Plaintiffs  
19 LIFE TECHNOLOGIES  
20 CORPORATION, APPLIED  
21 BIOSYSTEMS, LLC, and  
22 INVITROGEN IP HOLDINGS,  
23 INC.  
24  
25  
26  
27  
28