Michael T. Hornak (State Bar No. 81936)
email: mhornak@rutan.com
Ronald P. Oines (State Bar No. 145016)
email: roines@rutan.com
Bradley A. Chapin (State Bar No. 232885)
email: bchapin@rutan.com
Timothy Spivey (State Bar No. 269084)
RUTAN & TUCKER, LLP
611 Anton Boulevard, Fourteenth Floor
Costa Mesa, California 92626-1931
Telephone: 714-641-5100
Facsimile: 714-546-9035

Attorneys for Plaintiffs HID GLOBAL CORPORATION, ASSA ABLOY AB and DESTRON FEARING CORPORATION

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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
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COPY

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

HID GLOBAL CORPORATION, a Delaware corporation; ASSA ABLOY AB, a Swedish Limited Liability Company; and DESTRON FEARING CORPORATION, a Delaware corporation,

Plaintiffs,

vs.

APPLIED WIRELESS IDENTIFICATIONS GROUP, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No. **SACV 13 - 01272 JVS (JCGx)**

COMPLAINT FOR INJUNCTION AND DAMAGES FOR PATENT INFRINGEMENT

DEMAND FOR JURY TRIAL

Plaintiffs HID GLOBAL CORPORATION ("HID"), ASSA ABLOY AB ("AAAB") and DESTRON FEARING CORPORATION ("Destron") (collectively, "Plaintiffs"), for their Complaint against defendants APPLIED WIRELESS IDENTIFICATIONS GROUP, INC. ("AWID"), and DOES 1 through 10, inclusive (collectively, "Defendants"), allege as follows:

JURISDICTION AND VENUE

1. This is an action involving claims of patent infringement under Title 35, United States Code. This Court has jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

2. Venue is proper with this Court pursuant to 28 U.S.C. § 1391(b) and (c), as Defendants reside in this judicial district, a substantial part of the events, omissions and acts which are the subject matter of this action occurred within the Central District of California, and a substantial part of the property that is the subject of the action is located in the Central District of California.

THE PARTIES

3. HID is a Delaware corporation having its principal place of business located at 15370 Barranca Parkway, Irvine, California.

4. AAAB is a Limited Liability Company established under the laws of Sweden and having a principal place of business in Stockholm, Sweden. AAAB is HID's parent company.

5. Destron is a Delaware corporation having its principal place of business located in St. Paul, Minnesota.

6. Plaintiffs are informed and believe, and thereon allege, that AWID is a Delaware corporation having its principal place of business located at 18300 Sutter Boulevard, Morgan Hill, California 95037.

7. The true names and capacities, whether individual, corporate, associate or otherwise, of defendants DOES 1 through 10, inclusive, are unknown to Plaintiffs, which therefore sue said defendants by such fictitious names. Plaintiffs

will seek leave of this Court to amend this Complaint to include their proper names and capacities when they have been ascertained. Plaintiffs are informed and believe, and based thereon allege, that each of the fictitiously named defendants participated in and is in some manner responsible for the acts described in this Complaint and the damage resulting therefrom.

8. Plaintiffs allege on information and belief that each of the defendants named herein as Does 1 through 10, inclusive, performed, participated in, or abetted in some manner, the acts alleged herein, proximately caused the damages alleged hereinbelow, and are liable to Plaintiffs for the damages and relief sought herein.

9. Plaintiffs allege on information and belief that, in performing the acts and omissions alleged herein, and at all times relevant hereto, each of the Defendants was the agent and employee of each of the other Defendants and was at all times acting within the course and scope of such agency and employment with the knowledge and approval of each of the other Defendants.

HID'S BUSINESS

10. HID is a leader in the delivery of secure identity solutions for millions of customers throughout the world. HID's identity solutions are used in a variety of applications, including physical access control, logical access control, access card printing and personalization, highly secure government identification and animal identification. HID's products, solutions and services are sold through a well-established network of OEMs, developers, systems integrators and distributors worldwide. End users of HID's products, solutions and services include businesses and organizations in virtually all industry sectors, including government, healthcare, retail, industrial, commercial, airports, ports, finance and education.

11. HID's physical access control products and solutions are sold under HID's well-known brands, including iCLASS®, SmartID®, HID® Prox and Indala® Prox. These industry leading products, include radio frequency identification ("RFID") readers and credentials that operate at low frequency

(i.e., 125 kHz), high frequency (i.e., 13.56 MHz), or both.

THE PATENTS AT ISSUE

12. HID owns or is a licensee to numerous patents and other intellectual property that relate to various aspects of HID's business. The patents that are the subject of this action, United States patent nos. 7,439,862 (the "'862 Patent") and 5,952,935 (the "'935 Patent"), relate generally to multi-technology readers and credentials.

13. The '862 Patent, entitled "Antenna Array For an RFID Reader Compatible With Transponders Operating At Different Carrier Frequencies," issued on October 21, 2008. AAAB owns by assignment, and HID is a licensee of, the '862 Patent.

14. The '862 Patent generally discloses, among other things, an RFID reader that includes at least two reader antennas that operate at different carrier frequencies. The reader antennas are arranged in a configuration that optimizes performance of the RFID system, while maintaining a compact size.

15. The '935 Patent, entitled "Reprogrammable Channel Search Reader," issued on September 14, 1999. Destron owns the '935 Patent. Pursuant to a license agreement dated September 21, 2007 (the "License Agreement"), Destron's predecessor granted to Assa Abloy Identification Technology Group AB ("AAITG") an exclusive license in certain fields to the '935 Patent. Destron's predecessor further granted to AAITG the right to enforce the '935 Patent to the full extent of the license granted, including the right to file actions for patent infringement for any current or past infringement. By assignment, AAAB owns the rights granted to AAITG pursuant to the license from Destron's predecessor. Pursuant to the License Agreement, Destron's predecessor, as owner of the '935 Patent, agreed to participate in any infringement action brought by AAITG, or its successor to the rights under the License Agreement, AAAB. Destron is named as a plaintiff in this action for that reason alone.

16. The '935 Patent generally discloses an RFID reader that is capable of reading identification signals from transponders that use different frequencies, different methods of modulation, and/or different methods of encoding to communicate with the RFID reader. Another key aspect of the '935 Patent provides that the RFID reader is programmable.

AWID'S INFRINGEMENT

17. AWID also is in the business of providing physical access control solutions, including RFID readers that operate at 125 kHZ and 13.56 MHz carrier frequencies. AWID competes directly with HID, and sells and seeks to sell its RFID readers to various industry sectors, including those to which HID sells its products. As set forth below, certain of AWID's readers incorporate inventions that are disclosed in and protected by the '862 and '935 patents.

FIRST CLAIM FOR RELIEF

(Patent Infringement – '862 Patent)

18. Plaintiffs reallege each and every allegation set forth in paragraphs 1 through 17, inclusive, and incorporate them herein by this reference.

19. Defendants make, use, sell, offer for sale, and/or import into the United States products that meet each and every element of one or more claims of the '862 patent. As such, Defendants have infringed and are infringing the '862 patent.

20. Plaintiffs have marked relevant products and/or product literature with the '862 Patent pursuant to 35 U.S.C. § 287. On information and belief, Defendants have had actual knowledge of the '862 Patent before and during their infringement of the '862 Patent. On information and belief, Defendants' infringement of the '862 patent has been and will continue to be willful, wanton and deliberate with full knowledge and awareness of Plaintiffs' patent rights.

21. Plaintiffs have been damaged in an amount to be determined at trial, but which is no less than a reasonable royalty, and irreparably injured by Defendants' infringing activities. Plaintiffs will continue to be so damaged and

irreparably injured unless such infringing activities are enjoined by this Court.

22. Moreover, in light of the willful nature of Defendants' conduct, this case should be deemed "exceptional" under the Patent Laws. As a result, in addition to damages, Plaintiffs are entitled to enhanced damages and their attorneys' fees and costs incurred herein.

SECOND CLAIM FOR RELIEF

(Patent Infringement – '935 Patent)

23. Plaintiffs reallege each and every allegation set forth in paragraphs 1 through 17, inclusive, and incorporate them herein by this reference.

24. Defendants make, use, sell, offer for sale, and/or import into the United States products that meet each and every element of one or more claims of the '935 Patent. As such, Defendants have infringed and are infringing the '935 Patent.

25. Plaintiffs have marked relevant products and/or product literature with the '935 Patent pursuant to 35 U.S.C. § 287. On information and belief, Defendants have had actual knowledge of the '935 Patent before and during their infringement of the '935 Patent. On information and belief, Defendants' infringement of the '935 patent has been and will continue to be willful, wanton and deliberate with full knowledge and awareness of Plaintiffs' patent rights.

26. Plaintiffs have been damaged in an amount to be determined at trial, but which is no less than a reasonable royalty, and irreparably injured by Defendants' infringing activities. Plaintiffs will continue to be so damaged and irreparably injured unless such infringing activities are enjoined by this Court.

27. Moreover, in light of the willful nature of Defendants' conduct, this case should be deemed "exceptional" under the Patent Laws. As a result, in addition to damages, Plaintiffs are entitled to enhanced damages and their attorneys' fees and costs incurred herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against Defendants as follows:

1. That Defendants, their officers, directors, agents, servants, employees, and all persons and entities in active concert or participation with them, or any of them, be preliminarily and permanently enjoined and restrained from further infringement of the '862 Patent and the '935 Patent;

2. A judgment by the Court that Defendants have infringed and are infringing the '862 Patent and the '935 Patent;

3. An award of damages for infringement of the '862 Patent and the '935 Patent, together with prejudgment interest and costs, said damages to be trebled by reason of the intentional and willful nature of Defendants' infringement, as provided by 35 U.S.C. § 284;

4. A determination that this case is "exceptional" under 35 U.S.C. § 285, and an award of Plaintiffs' reasonable attorneys' fees;

5. That any monetary award include pre- and post-judgment interest at the highest rate allowed by law;

6. For costs of suit; and

7. For such other and further relief as the Court may deem just and proper.

Dated: August 19, 2013

RUTAN & TUCKER, LLP
MICHAEL T. HORNAK
RONALD P. OINES
BRADLEY A. CHAPIN
TIMOTHY SPIVEY

By: _____
Ronald P. Oines
Attorneys for Plaintiffs HID GLOBAL CORPORATION, ASSA ABLOY AB, and DESTRON FEARING CORPORATION

DEMAND FOR JURY TRIAL

Pursuant to Local Rule 38-1 of the Local Rules of the United States District Court for the Central District of California, Plaintiffs hereby demand a jury trial in this action.

Dated: August 19, 2013

RUTAN & TUCKER, LLP
MICHAEL T. HORNAK
RONALD P. OINES
BRADLEY A. CHAPIN
TIMOTHY SPIVEY

By: _____
Ronald P. Oines
Attorneys for Plaintiffs HID GLOBAL CORPORATION, ASSA ABLOY AB and DESTRON FEARING CORPORATION

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

NOTICE OF ASSIGNMENT TO UNITED STATES JUDGES

This case has been assigned to District Judge James V. Selna and the assigned Magistrate Judge is Jay C. Gandhi .

The case number on all documents filed with the Court should read as follows:

SACV 13-01272 JVS (JCGx)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge.

Clerk, U. S. District Court

August 20, 2013
Date

By D. Vo
Deputy Clerk

NOTICE TO COUNSEL

A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).

Subsequent documents must be filed at the following location:

☐ Western Division 312 N. Spring Street, G-8 Los Angeles, CA 90012	☒ Southern Division 411 West Fourth St., Ste 1053 Santa Ana, CA 92701	☐ Eastern Division 3470 Twelfth Street, Room 134 Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA

CIVIL COVER SHEET

I. (a) PLAINTIFFS (Check box if you are representing yourself ☐)

HID GLOBAL CORPORATION, a Delaware corporation; and ASSA ABLOY AB, a Swedish Limited Liability Company, and DESTRON FEARING CORPORATION, a Delaware corporation

(b) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.)

Michael T. Hornak SBN 81936 / Ronald P. Oines SBN 145016
Bradley A. Chapin SBN 232885/ Timothy Spivey SBN 269084
RUTAN & TUCKER, LLP, 611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626
Telephone: (714) 641-5100

DEFENDANTS (Check box if you are representing yourself ☐)

APPLIED WIRELESS IDENTIFICATIONS GROUP, INC., a Delaware corporation; and DOES 1 through 10, inclusive,

(b) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.)

II. BASIS OF JURISDICTION (Place an X in one box only.)

- ☐ 1. U.S. Government Plaintiff
- ☒ 3. Federal Question (U.S. Government Not a Party)
- ☐ 2. U.S. Government Defendant
- ☐ 4. Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES-For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated or Principal Place of Business in this State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated and Principal Place of Business in Another State	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. ORIGIN (Place an X in one box only.)

☒ 1. Original Proceeding ☐ 2. Removed from State Court ☐ 3. Remanded from Appellate Court ☐ 4. Reinstated or Reopened ☐ 5. Transferred from Another District (Specify) ☐ 6. Multi- District Litigation

V. REQUESTED IN COMPLAINT: JURY DEMAND: ☒ Yes ☐ No (Check "Yes" only if demanded in complaint.)

CLASS ACTION under F.R.Cv.P. 23: ☐ Yes ☒ No ☒ **MONEY DEMANDED IN COMPLAINT:** $ According to proof.

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)

This action involves claims of patent infringement under Title 35, United States Code.

VII. NATURE OF SUIT (Place an X in one box only).

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce/ICC Rates/Etc.
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced & Corrupt Org.
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/Exchange
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Info. Act
- ☐ 896 Arbitration
- ☐ 899 Admin. Procedures Act/Review of Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loan (Excl. Vet.)
- ☐ 153 Recovery of Overpayment of Vet. Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment

REAL PROPERTY CONT.
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Fed. Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury-Med Malpratice
- ☐ 365 Personal Injury-Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

TORTS

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accomodations
- ☐ 445 American with Disabilities-Employment
- ☐ 446 American with Disabilities-Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus/Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee Conditions of Confinement

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt. Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Ret. Inc. Security Act

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☒ 830 Patent
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405 (g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405 (g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS-Third Party 26 USC 7609

FOR OFFICE USE ONLY: Case Number: SACV 13 - 01272 JVS (JCGx)

AFTER COMPLETING PAGE 1 OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED ON PAGE 2.

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

VIII(a). IDENTICAL CASES: Has this action been previously filed in this court and dismissed, remanded or closed? ☒ NO ☐ YES

If yes, list case number(s): _____

VIII(b). RELATED CASES: Have any cases been previously filed in this court that are related to the present case? ☐ NO ☒ YES

If yes, list case number(s): 8:10-CV-01954-JVS-RNB

Civil cases are deemed related if a previously filed case and the present case:

(Check all boxes that apply)
- ☐ A. Arise from the same or closely related transactions, happenings, or events; or
- ☒ B. Call for determination of the same or substantially related or similar questions of law and fact; or
- ☒ C. For other reasons would entail substantial duplication of labor if heard by different judges; or
- ☒ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

IX. VENUE: (When completing the following information, use an additional sheet if necessary.)

(a) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named plaintiff resides.

☐ Check here if the government, its agencies or employees is a named plaintiff. If this box is checked, go to item (b).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
HID Global Corporation: Orange County	Assa Abloy AB: Sweden Destron Fearing Corporation: Minnesota

(b) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH named defendant resides.

☐ Check here if the government, its agencies or employees is a named defendant. If this box is checked, go to item (c).

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Applied Wireless Identifications Group, Inc.: County of Orange (28 U.S.C. Section 1391(c)(2))	

(c) List the County in this District; California County outside of this District; State if other than California; or Foreign Country, in which EACH claim arose.
NOTE: In land condemnation cases, use the location of the tract of land involved.

County in this District:*	California County outside of this District; State, if other than California; or Foreign Country
Orange County	

*Los Angeles, Orange, San Bernardino, Riverside, Ventura, Santa Barbara, or San Luis Obispo Counties
Note: In land condemnation cases, use the location of the tract of land involved

X. SIGNATURE OF ATTORNEY (OR SELF-REPRESENTED LITIGANT): _____ DATE: August 19, 2013

Ronald P. Oines

Notice to Counsel/Parties: The CV-71 (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. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet).

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405 (g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))

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