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December 11, 2013

CBI 14-71

DOCKET NUMBER
2990
Office of the Secretary Int'l Trade Commission

The Honorable Lisa R. Barton  
 Acting Secretary  
 United States International Trade Commission  
 500 E Street, S.W., Room 112  
 Washington, D.C. 20436

Re: *Certain Acousto-Magnetic Electronic Article Surveillance Systems, Components Thereof, and Products Containing Same*  
 Investigation No. 337-TA-\_\_\_

Dear Secretary Barton:

Enclosed for filing on behalf of Complainants Tyco Fire & Security GmbH ("TFSG"), Sensormatic Electronics, LLC ("Sensormatic") and Tyco Integrated Security, LLC ("TIS") (collectively, "Tyco" or "Complainants") are the following documents in support of Tyco's request that the Commission commence an investigation pursuant to Section 337 of the Tariff Act of 1930, as amended:

1. An original and eight (8) copies of Tyco's verified Complaint, pursuant to Commission Rule 210.8(a)(1)(i).
2. One (1) electronic copy of the exhibits and appendices to the Complaint with Confidential Exhibits segregated from the other material submitted pursuant to Commission Rule 210.8(a)(1)(iii) (on CD-ROM).
3. Seven (7) additional copies of the Complaint and Public Exhibits (on CD-ROM) for service upon proposed Respondents Ningbo Signatronic Technologies, Ltd., All-Tag Security Americas, Inc., All-Tag Security Hong Kong Co., Ltd., All-Tag Europe SPRL, All-Tag Security UK, Ltd., Best Security Industries, and Signatronic Corporation pursuant to Commission Rule 210.8(a)(iii).

The Honorable Lisa R. Barton  
December 11, 2013  
Page 2

4. Seven (7) additional copies of the Confidential Exhibits (on CD-ROM) for service upon proposed Respondents Ningbo Signatronic Technologies, Ltd., All-Tag Security Americas, Inc., All-Tag Security Hong Kong Co., Ltd., All-Tag Europe SPRL, All-Tag Security UK, Ltd., Best Security Industries, and Signatronic Corporation pursuant to Commission Rule 210.8(a)(iii).

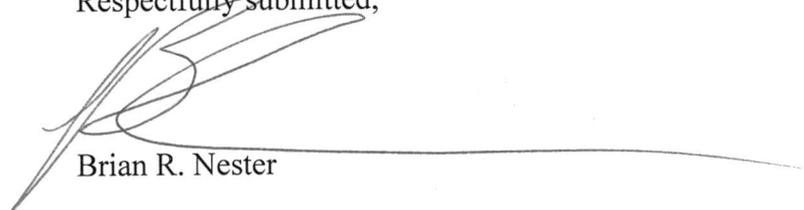
5. Copies of (i) U.S. Patent Nos. 5,729,200 and 6,181,245 (“the Asserted Patents”); (ii) assignments for each of the Asserted Patents; and (iii) prosecution histories for each of the Asserted Patents. Tyco has requested certified copies, assignments and prosecution histories of the Asserted Patents, and will submit them once received.

6. Four (4) electronic copies of the prosecution histories and each technical reference cited therein for each of the Asserted Patents, included as Appendices A-J pursuant to Commission Rule 210.12(c)(1) (on CD-ROM).

7. A letter and certification request for confidential treatment of Confidential Exhibits 9, 10, 11, 12, 13, 14, 18, 19 and 20 pursuant to Commission Rule 201.6(b) and 210.5(d).

Please call me at (202) 736-8017 with any questions.

Respectfully submitted,



Brian R. Nester



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December 11, 2013

The Honorable Lisa R. Barton  
Acting Secretary  
United States International Trade Commission  
500 E Street, S.W., Room 112  
Washington, D.C. 20436

Re: *Certain Acousto-Magnetic Electronic Article Surveillance Systems, Components  
Thereof, and Products Containing Same*  
Investigation No. 337-TA-

Dear Secretary Barton:

In accordance with Commission Rules 201.6 and 210.5, Complainant Tyco (“Tyco”) requests confidential treatment of the business information contained in Confidential Exhibits 9, 10, 11, 12, 13, 14, 18, 19 and 20.

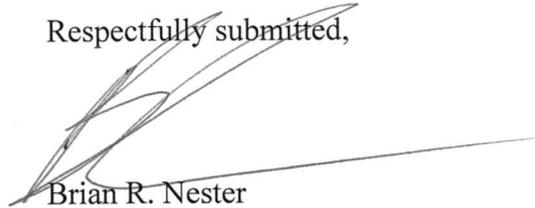
The information for which confidential treatment is sought is proprietary commercial information not otherwise publicly available. Specifically, these exhibits contain proprietary commercial information that is not publically available. The information described above qualifies as confidential business information pursuant to Commission Rule 201.6(a) because:

1. it is not available to the public;
2. unauthorized disclosure of such information could cause substantial harm to the competitive position of Tyco and/or a third party; and
3. its disclosure could impact the Commission’s ability to obtain information necessary to perform its statutory function.

The Honorable Lisa R. Barton  
December 11, 2013  
Page 2

Please contact me at (202) 736-8017 with any questions.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brian R. Nester", written over a horizontal line.

Brian R. Nester

**UNITED STATES INTERNATIONAL TRADE COMMISSION  
WASHINGTON, D.C. 20436**

**In the Matter of**

**CERTAIN ACOUSTO-MAGNETIC  
ELECTRONIC ARTICLE  
SURVEILLANCE SYSTEMS,  
COMPONENTS THEREOF, AND  
PRODUCTS CONTAINING SAME**

**Investigation No. 337-TA-\_\_\_**

**COMPLAINANTS' PUBLIC INTEREST STATEMENT**

Pursuant to U.S. International Trade Commission ("Commission") Rule 210.8(b), Tyco Fire & Security GmbH ("TFSG"), Sensormatic Electronics, LLC ("Sensormatic") and Tyco Integrated Security, LLC ("TIS") (collectively, "Tyco" or "Complainants") submit this Statement on the Public Interest with respect to the remedial orders sought against Respondents Ningbo Signatronic Technologies, Ltd. ("Ningbo"), All-Tag Security Americas, Inc., All-Tag Security Hong Kong Co., Ltd., All-Tag Europe SPRL, All-Tag Security UK, Ltd., Best Security Industries and Signatronic Corporation (collectively, "Proposed Respondents"). Tyco seeks an exclusion order against certain acousto-magnetic ("AM") electronic article surveillance ("EAS") products that infringe U.S. Patent Nos. 5,729,200 ("200 patent") and 6,181,245 ("245 patent") (collectively, "Asserted Patents"). Additionally, Tyco seeks a permanent cease and desist order, pursuant to §337(f), halting activity associated with the infringing products in the United States.

**I. THE REQUESTED RELIEF SERVES PUBLIC INTEREST**

Complainants' requested relief promotes the public interest by encouraging innovation through the enforcement of valid intellectual property rights. Exclusion of the infringing products provides effective relief in the face of Respondents' infringement of the Asserted Patents. Protecting Tyco's intellectual property rights and associated domestic industry in the

United States through exclusion will serve the public interest. *Certain Baseband Processor Chips and Chipsets, Transmitter and Receiver (Radio) Chip, Power Control Chips*, Inv. 337-TA-543, USITC Pub 4258 (Nov. 2011) (“Baseband”). Further, United States District Court for the Southern District of Florida found that public interest warranted enjoining other companies from infringing the asserted ’200 and ’245 patents. *Sensormatic Elec. Corp. v. The Tag Co.*, Case No. 06-81105, Final Judgment and Permanent Injunction (SDFL Dec. 19, 2008) (enjoining infringement of ’200 and ’245 patents).

Still further, Tyco pioneered the AM EAS products at issue here, and can supply AM EAS tags to replace Proposed Respondents’ excluded, infringing products. In the few instances where the Commission has found that the public interest would not be served by an exclusion order, there was the threat of an “inadequate supply within the United States—by both the patentee and domestic licensees—meant that an exclusion order would deprive the public of products necessary for some important health or welfare need.” *Spansion, Inc. v. ITC*, 629 F.3d 1331, 1360 (Fed. Cir. 2010).<sup>1</sup> In light of Tyco’s ability provide sufficient supply to the United States, exclusion in this investigation presents no cognizable adverse impact on the public interest.

**A. How The Articles Potentially Subject To The Remedial Orders Are Used In The United States.**

Complainant Sensormatic pioneered the abrupt, low-energy acousto-magnetic electronic article surveillance (“AM EAS”) technology at issue here. By way of background, retailers employ Sensormatic AM EAS systems to deter theft. Typically, the system includes three major

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<sup>1</sup> On August 3, 2013, the President recently disapproved an exclusion order Samsung obtained based on infringement of standard-essential patents (SEPs). See Letter from Michael B. G. Froman, U.S. Trade Rep., to Hon. Irving A. Williamson, Chairman, USITC (Aug. 3, 2013), available at [http://www.ustr.gov/sites/default/files/08032013%20Letter\\_1.PDF](http://www.ustr.gov/sites/default/files/08032013%20Letter_1.PDF). The patents at issue here do not claim technology subject to voluntary FRAND commitments, and thus the asserted patents are not SEPs.

components relevant here: (1) “markers” or “labels” that are affixed to merchandise; (2) “pedestals,” that detect the labels at the retailer’s exit if the markers are not deactivated; and (3) “deactivators” which deactivate the marker during checkout. In operation, the markers, absent deactivation, have magnetic properties that set off an alarm when detected by the pedestals at the door.

Proposed Respondents sells “compatible” tags designed specifically for Sensormatic’s pioneering, AM EAS systems. Ningbo designed the accused tags to be “compatible” with, and used solely in, the Sensormatic AM EAS system. The Accused Products in this proposed investigation include AM label T3, AM label T2, AM label K3, AM label K2, AM Roll label Rk2 and AM label H3.

**B. Identification Of Any Public Health, Safety, Or Welfare Concerns In The United States Relating To The Requested Remedial Orders.**

The AM EAS products at issue have no health, safety, or welfare concern that would preclude the Commission from issuing the requested relief. Traditionally, the Commission’s public health, safety, or welfare concern has been limited to medical devices or pharmaceutical drugs. *See, e.g., Certain Toothbrushes and the Packaging Thereof*, Inv. No. 337-TA-391, Comm’n Op., 1997 WL 803475, at \*2 (Oct. 15, 1997). The products at issue here are not do concern health, safety or welfare of this nature, as they are for theft prevention. Further, Tyco can supply AM EAS tags that will replace the infringing tags subject to exclusion, thus overriding any concerns regarding whether the remedial orders would adversely affect the public.

**C. Tyco Makes Directly Competitive Articles That Will Replace The Accused Products If Excluded**

Tyco designs, develops, manufactures and sells the AM EAS systems at issue here. Sensormatic’s AM EAS technology revolutionized the industry, and approximately 80% of

world's top 200 retailers employ Sensormatic EAS to protect their products.<sup>2</sup> Tyco is the market leading supplier of the Sensormatic AM EAS tags, forming a portion of its domestic industry. Tyco has the capacity to manufacture, market and sell its tags. Ningbo makes tags for *Sensormatic's* system. Tyco's AM EAS tags compete with the Accused Products. Indeed Ningbo engineered the Accused Products specifically to be "compatible with," and compete for sales in, the Sensormatic system. Tyco has capacity to replace excluded Accused Products.

**D. The Requested Remedial Orders Will Not Adversely Impact U.S. Consumers.**

Issuing relief against Proposed Respondents' infringement will promote intellectual property rights that bring innovation to consumers. *Baseband*, USITC Pub 4258. Further, the United States District Court for the Southern District of Florida previously found enjoining infringement of the asserted patents, albeit against different parties, in the public interest. Specifically, the District Court enjoined both The Tag Co. and Phenix Label Co. from selling tags infringing both the '200 and '245 patents asserted here. *Sensormatic*, Case No. 06-81105, Final Judgment and Permanent Injunction.

Still further, Tyco alone can supply and meet demand in the United States market absent sale of infringing product.<sup>3</sup> An exclusion order therefore promotes public interest by protecting Tyco's investment in AM EAS technology.

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<sup>2</sup> <http://www.sensormatic.com/whoweare/AboutSensormatic.aspx>

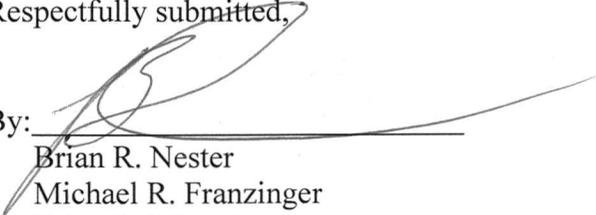
<sup>3</sup> Even if the remedial orders cause an increase in the price of AM EAS systems or components by preventing infringing imports from undercutting domestic prices, a price increase alone is insufficient to warrant a denial of a remedial order. *Certain Crystalline Cefadroxil Monohydrate*, Inv. No. 337-TA-293, USITC Pub 2391 (Mar. 15, 1990).

## II. CONCLUSION

As there is no public interest precluding exclusion, the Commission should not order discovery or a recommended determination on public interest.

Date: December 11, 2013

Respectfully submitted,

By: 

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and Tyco Integrated Security,  
LLC*

UNITED STATES INTERNATIONAL TRADE COMMISSION  
WASHINGTON, D.C. 20436

In the Matter of

CERTAIN ACOUSTO-MAGNETIC  
ELECTRONIC ARTICLE  
SURVEILLANCE SYSTEMS,  
COMPONENTS THEREOF, AND  
PRODUCTS CONTAINING SAME

Investigation No. 337-TA-\_\_\_

COMPLAINANT OF TYCO FIRE & SECURITY GMBH, SENSORMATIC  
ELECTRONICS, LLC AND TYCO INTEGRATED SECURITY, LLC

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## LIST OF EXHIBITS

Exhibit No.	Description
1	Copy of U.S. Patent No. 5,729,200
2	Copy of U.S. Patent No. 6,181,245
3	Copy of Assignments related to U.S. Patent No. 5,729,200
4	Copy of Assignments related to U.S. Patent No. 6,181,245
5	<i>Sensormatic v. The Tag Co. US, LLC</i> , Memorandum Opinion (SDFL Dec. 19, 2008)
6	<a href="http://www.tradekey.com/company/Ningbo-Signatronic-technologies-Ltd-3872899.html">http://www.tradekey.com/company/Ningbo-Signatronic-technologies-Ltd-3872899.html</a> (Oct. 31, 2013)
7	Signatronic Corporation Articles of Incorporation
8	<i>Sensormatic Electronics, LLC v. Philip Von Kahle</i> , No. 2009-1193 (Fed. Cir. Feb. 17, 2000)
9	CONFIDENTIAL (DI Declaration)
10	DI Claim Chart of '200
11	DI Claim Chart of '245
12	Infringement Claim Chart of '200
13	Infringement Claim Chart of '245
14	CONFIDENTIAL (email dated January 18, 2013 from Ningbo re 58KHz AM Label)
15	Panjiva Report
16	Ningbo AM Label Brochure
17	Best website description of an offer for sale of Sensormatic® Compatible 58KHz AM Labels
18	CONFIDENTIAL (License)
19	All-Tag E-mail
20	CONFIDENTIAL (emails dated March 13, 2013 and March 15, 2013 from Ningbo re 58KHz AM label from Ningbo Signatronic)
21	All-Tag website description of an offer for sale of Sensormatic® 58KHz AM Labels
22	All-Tag Label Invoice
23	All-Tag Blog Article

## LIST OF APPENDICES

Appendix	Description
A	Copy of the Prosecution History of U.S. Patent No. 5,729,200
B	Technical references cited in Prosecution History of U.S. Patent No. 5,729,200
C	List of Foreign Counterparts to U.S. Patent No. 5,729,200
D	Copy of the Reexamination File History of 90/007,827
E	Technical references cited in Reexamination File History 90/007,827
F	Copy of the Prosecution History of U.S. Patent No. 6,181,245
G	Technical References Cited in Prosecution History of U.S. Patent No. 6,181,245
H	List of Foreign Counterparts to U.S. Patent No. 6,181,245
I	Copy of the Reexamination File History 90/007,851
J	Technical references cited in Reexamination File History 90/007,851

## I. INTRODUCTION

1. Tyco Fire & Security GmbH (“TFSG”), Sensormatic Electronics, LLC (“Sensormatic”) and Tyco Integrated Security, LLC (“TIS”) (collectively, “Tyco” or “Complainants”) request that the United States International Trade Commission commence an investigation pursuant to 19 U.S.C. § 1337 (“Section 337”), to remedy the unlawful importation into the United States, sale for importation into the United States, and/or sale within the United States after importation by the owner, importer, or consignee, of certain acousto-magnetic electronic article surveillance devices that infringe valid and enforceable United States patents owned by Tyco.

2. Tyco designs, develops, manufactures and sells a number of high-technology products that it pioneered in the electronic article surveillance (“EAS”) industry. EAS systems are designed to deter and detect shoplifting. Generally, the systems at issue here include labels, pedestals and deactivators. In operation, retailers place labels on merchandise, and the cashier at checkout uses the deactivator to deactivate the label. If a shoplifter attempts to exit the store with an activated label, the label resonates an acousto-magnetic signal that the pedestals at the retailer’s doors detect.

3. Tyco developed an abrupt, low-energy acousto-magnetic EAS system. Through extensive research and development, Tyco developed a label that can be deactivated with a low field of energy, yet remain stable (maintain its magnetization) so as to avoid unintentional deactivation. The two patents at issue here relate to this innovation: U.S. Patent No. 5,729,200, entitled “Magnetomechanical Electronic Article Surveillance Marker with Bias Element Having Abrupt Deactivation/Magnetization Characteristic” (“the ’200 patent”), and U.S. Patent No. 6,181,245, entitled “Magnetomechanical electronic article surveillance marker with bias element

having abrupt deactivation/magnetization characteristic” (“the ’245 patent”) (collectively, “the Asserted Patents”). The ’245 patent is a continuation-in-part of the ’200 patent.

4. As the District Court for the Southern District of Florida found regarding the Asserted Patents, the Sensormatic label’s innovation created commercial success, and solved a long-felt, but unresolved need. *“The problems of the early ’90’s were solved by [Sensormatic’s] invention to a large extent.”* *Sensormatic v. The Tag Co. US, LLC*, Mem. Op. at 41 (SDFL Dec. 19, 2008) (Exhibit 5). Indeed, “[t]he invention of the ’200 and ’245 patents helped Sensormatic compete with other types of EAS markers and *helped make Sensormatic the leader in the whole electronic surveillance industry in the USA.*” *Id.* In finding the patents infringed, valid and enforceable, the court also found copying by others. *See id.*

5. Seeking to exploit Tyco’s investment in research and development, Proposed Respondents now import, sell for import and/or sell after import “compatible” labels designed solely for use with Sensormatic’s acousto-magnetic EAS systems. Indeed, the accused labels were designed specifically to work in, and be compatible with, Sensormatic’s systems. That is how Proposed Respondents advertise them. Ningbo Signatronic Technologies, Ltd. manufactures the Accused Products in China. The other proposed respondents are distributors of the Accused Products in the United States: All-Tag Security Americas, Inc.; All-Tag Security Hong Kong Co. Ltd.; All-Tag Europe SPRL; All-Tag Security UK, Ltd.; Best Security Industries; and Signatronic Corporation

6. Proposed Respondents’ products infringe at least one or more claims of the ’200 Patent and ’245 Patent. More specifically, Tyco asserts that the Proposed Respondents directly infringe, contributorily infringe, and/or induce the infringement of at least claims as identified below:

Patent	Claims
'200 Patent	1-4, 6-7 20-25
'245 Patent	1-5

7. As required by Section 337(a)(2) and defined in Section 337(a)(3), an industry in the United States exists relating to articles covered by the Asserted Patents.

8. Tyco seeks relief from the Commission in the form of a general exclusion order, or in the alternative, limited exclusion order, pursuant to Section 337(d), excluding from entry into the United States acousto-magnetic EAS labels that infringe one or more claims of the Asserted Patents. Tyco also seeks permanent cease and desist orders, pursuant to Section 337(f), halting the importation, sale, offer for sale, marketing, advertising, or solicitation of customers of electronic devices having infringing acousto-magnetic EAS technology and other products by or on behalf of the Proposed Respondents and their related companies.

## II. COMPLAINANTS

9. Tyco pioneered the abrupt, low-energy acousto-magnetic electronic article surveillance (“AM EAS”) technology at issue here. By way of background, retailers employ Sensormatic AM EAS systems to deter theft. *See Sensormatic*, Mem. Op. at 3 (Exhibit 5).

10. Typically, the AM EAS system includes three major components relevant here: (1) “markers” or “labels” that are affixed to merchandise; (2) “pedestals” that detect the labels at the retailer’s exit if the markers are not deactivated; and (3) “deactivators” which deactivate the marker during checkout. *Id.* at 3. In operation, the markers, absent deactivation, have magnetic properties that trigger an alarm when detected by the pedestals at the door. *See id.*

11. Sensormatic’s AM EAS technology revolutionized the industry, and approximately 80% of world’s top 200 retailers employ Sensormatic to protect their products,

with AM EAS or other products.<sup>1</sup> As the United States District Court for the Southern District of Florida found with respect to the Asserted Patents, Tyco's innovation in AM EAS technology led to commercial success. *See id.* at 40, 40-42. The District Court also found that others copied the patented invention, and that Tyco's innovation solved long-felt, but unresolved needs. *See id.* As detailed below, Proposed Respondents make or sell "Sensormatic compatible" markers for use in Sensormatic's pioneering system.

12. Tyco designs, develops, manufactures and sells products in diverse areas of technology, including a number of products in the field of electronic article surveillance (EAS).<sup>2</sup> Tyco has invested approximately \$385 million in research and development from 2010 through 2012. Tyco has applied for and received more than 800 United States patents to protect its R&D investment. In 2013, Forbes ranked Tyco in the top 100 of the "World's Most Innovative Companies."<sup>3</sup>

13. Tyco's products have made a substantial, real-world impact on preventing theft. Shoplifting is the single largest source of "shrink," theft of goods that shrinks a retailer's profitability.<sup>4</sup> The 2010 Global Retail Theft Barometer reported that shoplifting cost retailers worldwide over \$45 billion in losses that year.<sup>5</sup> A recent study evaluated the shrink performance of four stores over a six month period using Tyco's Sensormatic brand AM EAS anti-shoplifting technology.<sup>6</sup> The study determined that shrink was reduced by 79 basis points and tagged items resulted in better inventory management.<sup>7</sup>

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<sup>1</sup> <http://www.sensormatic.com/whoweare/AboutSensormatic.aspx>

<sup>2</sup> <http://www.sensormatic.com/whoweare/AboutSensormatic.aspx>

<sup>3</sup> <http://www.forbes.com/companies/tyco-international/>

<sup>4</sup> <http://www.sensormatic.com/whoweare/prDetail.aspx?id=302>

<sup>5</sup> <http://www.sensormatic.com/whoweare/prDetail.aspx?id=302>

<sup>6</sup> <http://www.sensormatic.com/whoweare/prDetail.aspx?id=326>

<sup>7</sup> <http://www.sensormatic.com/whoweare/prDetail.aspx?id=326>

14. Many have manufactured and sold infringing labels for the Sensormatic AM EAS system seeking to exploit Tyco research and development investment. As detailed below, Ningbo Signatronic Technologies, Ltd.; All-Tag Security Americas, Inc.; All-Tag Security Hong Kong Co. Ltd.; All-Tag Europe SPRL; All-Tag Security UK, Ltd.; Best Security Industries; and Signatronic Corporation manufacture and/or import infringing labels. Further, the District Court for the Southern District of Florida held that TAG and Phenix infringed the Asserted Patents. *Sensormatic v. The Tag Co. US, LLC*, Mem. Op. at 9 (SDFL Dec. 19, 2008) (Exhibit 5). Still further, Hangzhou Century Co., Ltd. (“Century”) manufactures in China infringing AM EAS labels in China for use in Sensormatic’s AM EAS system. *See* <http://www.youtube.com/watch?v=o2QLwJZNYSc>.

15. Having invested heavily in R&D and pioneered the AM EAS technology, Tyco’s ability to protect its intellectual property is critical.

16. By way of particulars, Complainant TFSG is a Swiss limited liability company, with a principal place of business at Victor von Bruns-Strasse 21, Neuhausen am Rheinfall 8212, Switzerland. TFSG owns the Asserted Patents. TFSG has the Domestic Industry Products manufactured overseas for Sensormatic and TIS. TFSG is an affiliate of Sensormatic and TIS.

17. Complainant Sensormatic is a Nevada limited liability company with a principal place of business at 6600 Congress Avenue, Boca Raton, Florida 33487. Sensormatic is the original assignee of the Patents-In-Suit. Sensormatic warehouses AM EAS products for TIS. Sensormatic, along with TIS, is a joint, exclusive licensee of the Asserted Patents.

18. Complainant TIS is a Delaware limited liability company with a principal place of business at 1501 Yamato Road, Boca Raton, Florida. TIS markets and sells the Domestic

Industry Products to end customers, and provides associated support services with its sales and marketing activity.

### **III. PROPOSED RESPONDENTS**

19. Proposed Respondent Ningbo Signatronic Technologies, Ltd. (“Ningbo”) manufactures and sells “compatible” products designed specifically for Sensormatic’s pioneering, AM EAS systems. On information and belief, Ningbo is a Chinese corporation organized under the laws of China with its principal place of business at 505 MingZhou Road (West) BeiLun District Ningbo, China 315800. Ningbo manufactures the Accused Products in China and imports them for sale and distribution to its U.S. distributors, including All-Tag, Best, and Signatronic.

20. Ningbo is not an innovator, but an imitator. Formed in 2005, Ningbo has designed markers to be “compatible” with the Sensormatic AM EAS system. On information and belief, Ningbo manufactures, markets, imports, offers for sale and sells AM labels such as the AM label T3, AM label T2, AM label K3, AM label K2, AM Roll Label Rk2 and AM label H3 (“Accused Products”), to various U.S. retailers, often through distributors including All-Tag, Best, and Signatronic. Complainants anticipate that discovery will reveal others products and entities that infringe Complainants’ intellectual property.

21. On information and belief, proposed Respondent All-Tag Security Americas, Inc. (“All-Tag Americas”) is a Florida corporation with a principal place of business at 1155 Broken Sound Parkway, NW, Unit E, Arvida Park of Commerce, Boca Raton, Florida 33487. On information and belief, All-Tag is a U.S. distributor of the Accused Products, which are manufactured by Ningbo in China.

22. On information and belief, proposed Respondent All-Tag Europe SPRL (“All-Tag Europe”) is a Belgium corporation with a principal place of business at Chaussée d’Alseberg, 999 Boite 14, 1180 Brussels.

23. On information and belief, All-Tag Americas’ management team purchased all the assets of All-Tag Europe. On information and belief, All-Tag Europe acts in cooperation with All-Tag Americas for the import and/or sale of the Accused Products; All-Tag America’s management team purchased All-Tag Europe. See <http://all-tag.com/blog/> (Exhibit 23).

24. On information and belief, proposed Respondent All-Tag Security Hong Kong Co., Ltd. (“All-Tag HK”) is Hong Kong corporation with a principal place of business at Unit 1211, 12/F, Tsuen Wan Industrial Centre 220-248 Texaco Road, Tsuen Wan N.T. Hong Kong. On information and belief, All-Tag HK acts in cooperation with All-Tag Americas for the import and/or sale of the Accused Products; All-Tag America’s management team purchased All-Tag HK. See <http://all-tag.com/blog/> (Exhibit 23).

25. On information and belief, proposed Respondent All-Tag Security UK, Ltd. (“All-Tag UK”) is a United Kingdom corporation with a principal place of business at Unit 3 Bamford Business Park, Hibbert Street Strockport SK4 1PL Cheshire, United Kingdom. On information and belief, All-Tag UK acts in cooperation with All-Tag Americas for the import and/or sale of the Accused Products; All-Tag America’s management team purchased All-Tag UK. See <http://all-tag.com/blog/> (Exhibit 23).

26. On information and belief, All-Tag distributes infringing products, including the Ningbo Accused Products. All-Tag advertises compatibility with Sensormatic’s proprietary system:

Our innovative cost-effective EAS solutions are *compatible with both Sensormatic Acousto-Magnetic (AM) Ultra Max and Checkpoint Radio-*

Frequency (RF) products. This allows retail users of either of those technologies to incorporate our security tags for apparel, adhesive security labels, security tag detection systems, ink tags, people counters, wireless people counters and many other products into their existing loss prevention (LP) program.<sup>8</sup>

27. On information and belief, proposed Respondent Signatronic Corporation (“Signatronic”) is a Florida corporation organized under the laws of Florida with a principal place of business at 1155 Broken Sound Parkway NW Unit E, Boca Raton, FL 33487. Signatronic was formed by the principal of All-Tag, Stuart Seidel. *See* Exhibit 7 (Signatronic Corporation Articles of Incorporation). On information and belief, Signatronic is a distributor that imports, or has imported, the Accused Products into the United States.

28. On information and belief, proposed Respondent Best Security Industries (“Best”) is a Delaware corporation with a principal place of business at 775 NW 17<sup>th</sup> Avenue Suite 101, Delray Beach, FL 33445. On information and belief, Best is a U.S. distributor of the Accused Products, which are manufactured by Ningbo in China.

#### **IV. PRODUCTS AT ISSUE**

29. As detailed above, the products at issue here are AM EAS systems, and more particularly the Accused Products are the labels (or markers) used in the AM EAS system. A marker is placed on merchandise, and unless deactivated, will set off an alarm at the retailer’s exit where Sensormatic pedestals are placed. *See Sensormatic*, Mem. Op. at 3 (Exhibit 5). Products at issue relate to Harmonized Tariff Schedule No. 8531.90.

30. The Accused Products in this investigation include Ningbo’s AM label T3, AM label T2, AM label K3, AM label K2, AM Roll Label Rk2, and AM label H3. On information

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<sup>8</sup> <http://all-tag.com/company/about-us/>

and belief, these products copy Tyco's patented AM technology and gain unjust benefit from Tyco's research and development.

## **V. THE ASSERTED PATENTS**

31. At issue in this investigation is the Proposed Respondents' infringement of the Asserted Patents, the '200 and '245 patents. Tyco overviews the patents below.

### **A. U.S. Patent Nos. 5,729,200 and 6,181,245**

#### **1. Identification of the Patents and Ownership by Tyco**

32. TFSG owns by assignment the entire right, title, and interest in the '200 patent, entitled "Magnetomechanical Electronic Article Surveillance Marker with Bias Element Having Abrupt Deactivation/Magnetization Characteristic," which issued on March 17, 1998.

33. TFSG owns by assignment the entire right, title and interest in the '245 patent, entitled "Magnetomechanical Electronic Article Surveillance Marker with Bias Element Having Abrupt Deactivation/Magnetization Characteristic," which issued on January 30, 2001. The '245 patent is a continuation-in-part of the '200 patent.

34. The inventors of the '200 patent and '245 patent, Richard L. Copeland and Kevin R. Coffey, assigned to Sensormatic Electronics Corporation all rights, title, and interest in the invention ultimately disclosed and claimed in the both patents. *See* Exhibits 3 and 4. All rights, title and interest have since been assigned to ADT Services GmbH and then to TFSG. *See* Exhibits 3 and 4.

35. The '200 patent and the '245 patent are valid, enforceable, and currently in full force and effect. Indeed, the '200 and '245 patents have collectively been found valid in three separate proceedings. The United States District Court for the Southern District of Florida found the '200 and '245 patents valid and infringed, and the Federal Circuit affirmed the decision. *See*

*Sensormatic*, Mem. Op. (Exhibit 5); *aff'd*, *Sensormatic Electronics, LLC v. Philip Von Kahle*, No. 2009-1193, Order at 2 (Fed. Cir. Feb. 17, 2010) (Exhibit 8).

36. Further, the '200 patent and '245 patent each withstood a re-examination challenge. *See* Appendices D and I. On February 12, 2008, the PTO issued a Re-examination Certificate on the '200 patent. *See* Exhibit 1. In all, 42 of the 47 claims withstood re-examination as originally written; two claims were cancelled; and three claims were amended. *Id.* On March 4, 2008, the PTO issued a Re-examination Certificate on the '245 patent. *See* Exhibit 2. In all, 16 of the 19 original claims withstood re-examination as originally written, two claims were amended, and one was cancelled. *Id.* Certified copies of the '200 patent and '245 patent are attached as Exhibit 1 and Exhibit 2, respectively.<sup>9</sup>

37. Pursuant to Rule 210.12(c) of the Commission's Rules of Practice and Procedure, this Complaint is accompanied by Appendix A. Appendix A and Appendix F contains certified copies of the prosecution histories of the '200 patent and '245 patent, as well as a copy of each reference mentioned in those prosecution histories.

## **2. Non-Technical Description of the Patented Invention**

38. The '200 patent and '245 patent generally disclose AM EAS markers that have a coercivity that is lower than the coercivity of the prior art, conventional markers. *See* Exhibit 1 at Abstract ('200 patent); Exhibit 2 at Abstract ('245 patent). Coercivity is a property of markers such that markers formed with a low coercivity bias element in accordance with the invention can be more reliably deactivated, by use of conventional deactivation devices. As discussed above, the marker or label is placed on merchandise. When a customer purchases merchandise, the checkout teller "deactivates" the marker by passing it near the electrical field of deactivator

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<sup>9</sup> To the extent a certified copy is unavailable at the time of the filing of the Complaint, certified copies will be filed as soon as they become available.

at the checkout counter. *See Sensormatic*, Mem. Op. at 3-4 (Exhibit 5). To detect theft, the “pedestal” installed at the door will detect a marker that is not deactivated (because a shoplifter did not proceed through checkout) and sound an alarm. *See id.*

39. Markers consist of at least two principal components – a “resonator” and a “bias,” both of which are placed in a plastic housing. *See id.* at 4. The resonator (or active element) is formed from a magneto restrictive metallic material that resonates (or vibrates) at a particular frequency when the pedestal pulses a magnetic field. *See id.* The bias element is formed of a material which, when fully magnetized, causes the resonator to vibrate at a frequency detectable by the pedestals in response to an alternating magnetic field generated by the pedestals, and when demagnetized, does not. *See id.*

40. The ’200 and ’245 patents disclose markers capable of “abrupt” magnetization and demagnetization. This enables the marker to be deactivated with much lower field levels, while also creating a stable marker that is less likely to be demagnetized unintentionally. *Id.* at 3-4, 40-42. The disclosed low coercivity markers allow for more effective demagnetization, yet the markers maintain stability to ensure accurate theft detection. *Id.* at 40, ¶180.

41. Markers formed with the low coercivity material can be deactivated by applying an alternating current magnetic field, which need not be as strong as the magnetic field required for deactivation of conventional markers. *Id.* Markers formed with the low coercivity bias element can also be deactivated at a greater distance from a deactivation device than was previously practical. *Id.*

### **3. Foreign Counterparts to the ’200 Patent**

42. The foreign counterparts to the ’200 patent are listed in Appendix C. No other foreign patents or patent applications corresponding to the ’200 patent have been filed, abandoned, withdrawn or rejected.

#### **4. Foreign Counterparts to the '245 Patent**

43. The foreign counterparts to the '245 patent are listed in Appendix H. No other foreign patents or patent applications corresponding to the '245 patent have been filed, abandoned, withdrawn or rejected.

#### **VI. THE DOMESTIC INDUSTRY**

44. Tyco's investment with respect to each of the Asserted Patents in the United States constitutes a domestic industry under 19 U.S.C. §§ 1337(a)(2)-(3). Complainant TFSG licensed the Asserted Patents to Sensormatic and TIS. *See* Confidential Exhibit 18.

45. As detailed above, Tyco pioneered the AM EAS system widely deployed today. Tyco invested heavily in developing technology that led to the innovation disclosed in the Asserted Patents. Tyco continues to invest heavily in the technology relating to what is claimed in the Asserted Patents. Tyco's domestic activities in connection with its AM EAS labels, such as the Sensormatic UltraStrip III (AM) Labels (hereinafter "Domestic Industry Products"), include significant employment of labor or capital, and substantial investment in exploitation of the patents, including engineering, research and development, and licensing relating to products employing the '200 and '245 patents. Just a portion of these investments are set forth in Exhibit 9 (Confidential). Although Tyco does not manufacture the Domestic Industry Products in the United States, Confidential Exhibit 9 contains a portion Tyco's investment in engineering, research and development as well as labor and capital. Claim charts showing that Tyco practices claim 1 of the '200 patent and claim 1 of the '245 patent are attached as Exhibits 10-11.

46. Tyco's domestic industry activities attributable to Section 337(a)(2)-(3) also include products (in addition to Domestic Industry Products) in the AM EAS system such as AM EAS UltraMax detection systems and label deactivators.

## **VII. UNLAWFUL AND UNFAIR ACTS OF PROPOSED RESPONDENTS**

47. On information and belief, Proposed Respondents unlawfully sell for importation, import, and/or sell after import infringing products, including AM labels such as the AM label T3, AM label T2, AM label K3, AM label K2, AM Roll Label Rk2, and AM label H3 labels. Based on information discovered through investigation, the Proposed Respondents infringe at least claims 1-4, 6-7 and 20-25 of the '200 patent and claims 1-5 of the '245 patent. Attached as Exhibits 12-13 are claim charts that provide examples of how the asserted independent claims of the Tyco's patents read on the exemplary Accused Products. Further discovery may reveal that the Proposed Respondents infringe additional claims of the Asserted Patents.

48. The infringement allegations contained in this Complaint include direct and indirect infringement. Ningbo, All-Tag, Best, and Signatronic's inducement of, and contribution to, infringement includes, but is not limited to: (i) their knowledge of the Asserted Patents; (ii) their intent to induce or contribute towards infringement of the Asserted Patents; (iii) their knowingly aiding and abetting infringement, by providing directions that instruct the purchaser of the Accused Products to use the devices in a manner that infringes certain claims of the Asserted Patents; and (iv) their actual or constructive knowledge that their actions induce or contribute to infringement. For instance, the Proposed Respondents' induce and contribute to the direct infringement of their customers. Ningbo had knowledge of the '200 patent at least as of November 20, 2006. On this date, Ningbo cited the '200 patent in its patent application number 11/602,109 (now U.S. Patent No. 7,626,502). Further, Ningbo had knowledge of the '245 patent at least as early as December 1, 2009, when Ningbo's U.S. Patent Number 7,626,502 issued identifying Tyco's '245 patent. Still further, Ningbo had knowledge of the Asserted Patents and its infringement as a result of the lawsuit that Tyco filed against Ningbo in China. In China, Tyco filed a patent infringement suit against Ningbo in the Guangdong Foshan Intermediate

People's Court for infringement of Chinese Patent ZL97197519.1, a foreign counterpart to the '200 patent. The case remains pending. The Foshan Intermediate People's Court appointed an independent expert group to analyze infringement, and the expert group opined that Ningbo infringes Tyco's Chinese Patent ZL97197519.1.

49. Proposed Respondents have been given actual notice of their infringement of the Asserted Patents by Tyco's service of this Complaint, which is being served on Proposed Respondents at the time of filing with the Commission.

50. The foregoing acts constitute, and/or will constitute, direct infringement, active inducement of others to infringe, and/or contribution to the infringement by others.

### **VIII. SPECIFIC INSTANCES OF UNFAIR IMPORTATION AND SALE**

51. On information and belief, Proposed Respondents import, offer to sell, sell for import, and/or sell after importation into the United States the Accused Products. Specific instances of Proposed Respondents unlawful importation, offer for sale, sale for importation, and/or sale after importation of infringing AM EAS labels is set forth below.

#### **1. Ningbo**

52. Ningbo manufactures infringing AM labels in China and sells those labels to consumers in the United States through distributors such as All-Tag, Signatronic and Best. In its introduction to the company, Ningbo (founded after Sensormatic introduced its AM EAS system) devotes the majority of its discussion to defending its "compatible" products by claiming they are protected by Ningbo patents and applications. Ningbo's Mr. Jack Zhang describes the company in this way:

*It's my pleasure to introduce our company Ningbo Signatronic Technologies Co., Ltd. (NST) located in Ningbo city China, that was granted the patent right on a completely new type of acousto-magnetic(AM) label by State Intellectual Property Office of the People's republic of China in March 2007. We further filed US regular patent and PCT applications in the United States to protect this invention. ... Now the majority of*

products in the market of AM label are DR (dual resonators) and LE (single resonator) manufactured by Sensormatic Electronic Corporation in USA. ... Our NS label use an original way to make AM labels. We own the intellectual property and will not infringe other valid patents. NS label uses FeNiMoB resonators which was disclosed in expired Anderson patent (US patent 4510489) that originally invented AM label. This is totally out of patent coverage of DR and LE resonators (FeNiCoSiB). *Therefore, our NS labels can legally be sold worldwide.*

Ningbo Signatronic Technologies Ltd., <http://www.tradekey.com/company/Ningbo-Signatronic-technologies-Ltd-3872899.html> (Oct. 31, 2013) (emphasis added) (Exhibit 6). Mr. Zhang's statement incorrectly assumes that these other patents matter to whether Ningbo infringes Tyco's patents. As a matter of law, a patent does not confer on the patentee a right to practice anything – only a right to exclude others from practicing (if valid), and a product can infringe an unexpired patent even if it also (purportedly) incorporates technology from an expired one. On information and belief, the evidence will show that Ningbo has sought patent protection hoping to mislead the relevant public as to its derivation of technology from Sensormatic.

53. On January 18, 2013, Frank Fu of Ningbo offered to sell Accused Products via e-mail, highlighting AM Label K3, T3, H3 and roll labels in the United States. *See* Exhibit 14. Additionally, on March 13 and March 15, Frank Fu touted Ningbo's sales, stated that Ningbo was seeking a partern in the United States, and offered to sell the Accused Products in the United States. *See* Exhibit 20.

54. On information and belief, Ningbo similarly offers brochures to distributors describing infringing products. *See* Exhibit 16 (NST Products 2013). For instance, on information and belief, Exhibit 16 is one such brochure, which advertises Accused Products such as the AM label T3, AM label K3, and AM label H3. *Id.*

55. On information and belief, Ningbo has continuously imported its labels to various U.S. distributors for years. As an example, a Panjiva report indicates that in 2013 alone, Ningbo

has made seventeen separate importations to the Proposed Respondents. *See* Exhibit 15. The most recent importation in the list occurred on October 31, 2013. Specific instances of such importation are outlined below for each distributor.

## **2. All-Tag**

56. On information and belief, All-Tag is one of Ningbo's United States distributors. Ningbo has imported infringing AM EAS labels to All-Tag. *See* Exhibit 15 (Panjiva Report). On information and belief, All-Tag recently sold infringing Ningbo labels, manufactured in China, in the United States. Exhibit 22, is a commercial invoice dated November 21, 2013 showing sale in the United States of Ningbo's K2 AM labels. The most recent shipment in the Panjiva report took place on May 4, 2011, including 17 cartons weighting 250 kilograms. *See* Exhibit 15 (Panjiva Report). The imported products, labeled "Anti Theft Tags" were shipped from Ningbo in China to All-Tag Security Americas, Inc. in Miami, Florida. *See* Exhibit 15 (Panjiva Report).

57. On information and belief, All-Tag is importing or will imminently import additional Accused Products. In a customer e-mail dated Dec. 10, 2012, All-Tag stated that "ALL-Tag will act as the exclusive manufacture's representative for [Ningbo] Signatronic. The [Ningbo] Signatronic label is already being used in Europe and Asia to source-tag retail merchandise, which means that merchandise imported to the United States from those regions may also be source-tagged with the [Ningbo] Signatronic label." *See* Exhibit 19.

## **3. Signatronic**

58. On information and belief, Signatronic is one of Ningbo's United States distributors. *See* Exhibit 15 (Panjiva Report). On information and belief, Ningbo imported seven shipments of security labels to Signatronic in 2013. *Id.* The Panjiva Report shows one such importation took place on October 31, 2013, including 5 packages weighing 1960

kilograms. *Id.* The Report indicates the imported product, labeled “Anti Theft Tag Rk2” was shipped from Ningbo in China to Signatronic Corporation in Los Angeles, California. *Id.*

#### **4. Best**

59. On information and belief, Best is another Ningbo’s United States distributor. *See* Exhibit 15 (Panjiva Report). On information and belief, Ningbo has imported ten shipments of security labels to Best in 2013 alone. *Id.* One such importation took place October 20, 2013, weighting 1110 kilograms. *See* Exhibit 15 (Panjiva Report). The imported product, labeled “Anti Theft Tags K2” was shipped from Ningbo in China to Best Security Industries, Inc. in Long Beach, California. *See* Exhibit 15 (Panjiva Report).

60. Further, on information and belief, Best offers to sell and sells the Accused Product. Best’s website shows an offer to sell “Sensormatic Compatible 58KHz AM Labels.” *See* Exhibit 17.

### **IX. LICENSEES**

61. TFSG granted an exclusive license to Sensormatic and TIS for the Asserted Patents. Confidential Exhibit 18 contains the license agreement. No other entities currently hold a license to the Asserted Patents.

### **X. RELATED LITIGATION**

62. On November 29, 2006, Sensormatic filed complaint alleging infringement of the ’200 and ’245 patents in the U.S. District Court for the Southern District of Florida against others, The Tag Company US LLC (“TAG”) and Phenix Label Company (“Phenix”). *Sensormatic Electronics Corporation v. The Tag Company US LLC, et al.*, 9:06-cv-81105-DTKH (SDFL). The Court found infringement by defendants TAG and Phenix, and found the patents enforceable and not invalid. *Id.* at 4. The Federal Circuit affirmed the District Court

Judgment. *Sensormatic Electronics, LLC v. Philip Von Kahle*, No. 2009-1193, slip op. at 1 (Fed. Cir. Feb. 17, 2010) (Exhibit 8).

63. The United States Patent and Trademark Office Reexamination Application Nos. 90/007,827 and 90/007,851 confirmed the validity of the '200 and '245 patents, respectively. *See* Appendices D and I. On February 12, 2008, the PTO issued a Re-examination Certificate on the '200 patent. *See* Exhibit 1. In all, 42 of the 47 claims withstood re-examination as originally written; two claims were cancelled; and three claims were amended. *Id.* On March 4, 2008, the PTO issued a Re-examination Certificate on the '245 patent. *See* Exhibit 2. In all, 16 of the 19 original claims withstood re-examination as originally written, two claims were amended, and one was cancelled. *Id.*

64. Contemporaneously with the filing of this Complaint, Tyco filed suit in the U.S. District Court for the Southern District of Florida asserting infringement of the Asserted Patents.

65. In China, Tyco filed a patent infringement suit against Ningbo in the Guangdong Foshan Intermediate People's Court for infringement of Chinese Patent ZL97197519.1. The case remains pending. The Foshan Intermediate People's Court appointed an independent expert group to analyze infringement, and the expert group opined that Ningbo infringes Tyco's Chinese Patent ZL97197519.1. In a separate filing in China by Ningbo, the Patent Reexamination Board found that some claims of the Chinese Patent ZL97197519.1 lacked support. Tyco appealed the decision and the appeal is pending.

66. In Germany, Tyco filed suit in the Regional Court of Dusseldorf alleging TaLa UG & Co. KG Security Products (a distributor) improperly distributes infringing AM EAS tags. Tyco asserts infringement of European patent No. 0922274, which is a foreign counterpart to the '200 patent. That case remains pending, and the hearing is scheduled for June 24, 2014.

67. Complainants are aware of no other pending litigation.

## **XI. REQUESTED RELIEF**

68. Pursuant to Section 337(d)(2), Complaints seek a general exclusion order, or, alternatively, a limited exclusion order. A general exclusion order is necessary to prevent circumvention of a limited exclusion order. A general exclusion order is appropriate here in light of a pattern of violation, and the difficulty in identify the source of infringing products.

69. Sensormatic's AM EAS is widely deployed as approximately 80% of world's top 200 retailers employ Sensormatic systems to protect their products, with AM EAS or other products.<sup>10</sup> Wide-spread deployment of Sensormatic's system drives demand for sale of AM EAS tags for use the deployed systems.

70. Only Complainants are authorized to make the abrupt deactivation labels required for use in Sensormatic's widely-deployed AM EAS systems. Complainants TIS and Sensormatic are exclusive licensees to the Asserted Patents.

71. Infringement is wide spread. Currently, and as detailed in Section X above, there is litigation in China against Ningbo for infringement of a foreign counterpart to the '200 patent. In addition, Hangzhou Century ("Century") manufactures infringing AM EAS tags in China. <http://century-cn.en.alibaba.com/product/210161047->

[212683037/58kHz\\_300Hz\\_AM\\_DR\\_Label.html](http://century-cn.en.alibaba.com/product/210161047-212683037/58kHz_300Hz_AM_DR_Label.html). As Century explains, its infringing AM EAS labels are "available in a wide range of standard and custom styles." *Id.* Indeed, Century advertises that it is an OEM (original equipment manufacturer) or ODM (original design manufacture) for AM EAS labels for other third-parties. Century states that "[w]ith a talented and experienced R&D team of more than 50 R&D engineers, we offer OEM/ODM service with quick design and sampling ability." <http://hangzhou-century-co-ltd.imexbb.com>. Century touts

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<sup>10</sup> <http://www.sensormatic.com/whoweare/AboutSensormatic.aspx>

“We supply products throughout Europe, America, Africa, the Middle East, and Asia pacific, through a worldwide network of 300 distributors in 66 countries.” <http://hangzhou-century-co-ltd.imexbb.com>. In addition, two other corporations infringed the Asserted Patents, TAG and Phenix. *Sensormatic v. The Tag Co. US, LLC*, Mem. Op. at 9 (SDFL Dec. 19, 2008) (Exhibit 5).

72. The source of infringing tags is not readily ascertainable. For instance, Ningbo does not mark the Accused Products with any trademark, its name, a product identifier or a country of origin. Samples of Century AM EAS labels also do not indicate a trademark, Century’s name, a product name, or a country of origin. Further, Century indicates that it serves as a contract manufacture for others, as discussed above, that can import into the United States for Sensormatic’s widely-deployed EAS system. Indeed, Century explains a vast worldwide “network of 300 distributors in 66 countries.” <http://hangzhou-century-co-ltd.imexbb.com>. Distributors All-Tag, Best, and Signatronic are just a few examples of the existing marketing and distribution infrastructure for AM EAS tags.

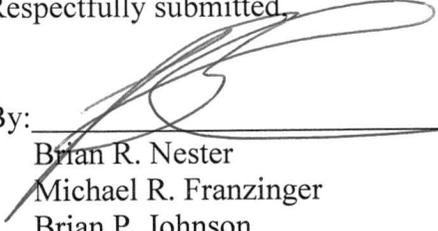
73. WHEREFORE, by reason of the foregoing, Tyco requests that the United States International Trade Commission:

- (a) Institute an immediate Investigation, pursuant to Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, with respect to violations of Section 337 based on the Proposed Respondents’ unlawful importation into the United States, sale for importation into the United States, and/or sale within the United States after importation of certain acousto-magnetic electronic article surveillance systems, components thereof, and products containing same, which infringe one or more claims of United States Patent Nos. 5,729,200 and 6,181,245;

- (b) Schedule and conduct a hearing on the unlawful acts and, following the hearing, determine that there has been a violation of Section 337;
- (c) Issue a general exclusion order, or in the alternative a limited exclusion order, pursuant to Section 337(d) of the Tariff Act of 1930, as amended, excluding from entry into the United States acousto-magnetic electronic article surveillance systems, components thereof, and products containing same, which infringe one or more claims of United States Patent Nos. 5,729,200 and 6,181,245;
- (d) Issue permanent cease and desist orders, pursuant to Section 337(f) of the Tariff Act of 1930, as amended, directing the Proposed Respondents to cease and desist from the importation, marketing, advertising, demonstrating, warehousing inventory for distribution, sale and use of certain acousto-magnetic electronic article surveillance systems, components thereof, and products containing same that infringe one or more claims of United States Patent Nos. 5,729,200 and 6,181,245;
- (e) Impose a bond upon Respondents who continue to import infringing articles during the 60-day Presidential Review period per 19 U.S.C. § 1337(j); and
- (f) Grant such other and further relief as the Commission deems just and proper based on the facts determined by the Investigation and the authority of the Commission.

Respectfully submitted,

Date: December 11, 2013

By: 

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*Counsel for Complainants  
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Sensormatic Electronics, LLC  
and Tyco Integrated Security,  
LLC*

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Verification

I, Scott Gindea, declare in accordance with 19 C.F.R. §§ 210.4(c) and 210.12(a), under penalty of perjury, that the following statements are true:

1. I am currently the Sr. Finance Director at Sensormatic Electronics, LLC. I am duly authorized by Complainant Sensormatic Electronics, LLC to verify the foregoing complaint.
2. The Complaint is not being filed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.
3. To the best of my knowledge, information, and belief, formed after a reasonable inquiry, the claims and other legal contentions set forth in the Complaint are warranted by existing law or by a good faith, non-frivolous argument for extension, modifications, or reversal of existing law, or by the establishment of new law.
4. To the best of my knowledge, information, and belief, formed after a reasonable inquiry, the allegations of the Complaint are well grounded in fact and have evidentiary support, or where specifically identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery.

Executed on December 11, 2013



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