

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WISCONSIN**

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CREE, INC.

Plaintiff,

v.

KINGBRIGHT ELECTRONIC CO., LTD.,  
KINGBRIGHT CORPORATION, AND  
SUNLED CORPORATION

Defendants.

Case No. 14-CV-621

**JURY TRIAL DEMANDED**

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**COMPLAINT**

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Plaintiff Cree, Inc. (“Cree”) for its Complaint against Defendants Kingbright Electronic Co., Ltd., Kingbright Corp., and SunLED Corp. (collectively “Defendants”) state as follows:

**PARTIES**

1. Plaintiff Cree is a North Carolina Corporation having a principal place of business at 4600 Silicon Drive, Durham, North Carolina 27703. Cree also has facilities at 9201 Washington Avenue, Racine, Wisconsin 53406 (formerly the headquarters of Ruud Lighting, Inc. (“Ruud”), which has now legally merged with Cree).

2. On information and belief, Defendant Kingbright Electronic Co., Ltd. is a Taiwanese entity located at 3F, No. 317-1, Chung Shan Road, Sec. 2, Taipei, Taiwan 235.

3. On information and belief, Defendant Kingbright Corp. is a California entity located at 225 Brea Canyon Road, City of Industry, California 91789. Defendant Kingbright Corp.'s registered agent for service of process in the state of California is May Chan, 225 Brea Canyon Road, City of Industry, California 91799.

4. On information and belief, Defendant SunLED Corporation, an affiliate of Defendant Kingbright Electronic Co., Ltd., is a California corporation having a principal place of business at 4010 Valley Blvd, Ste 100, Walnut, California 91780-0935. Defendant SunLED Corporation's registered agent for service of process in the state of California is Sarene Wan, 4010 Valley Blvd, Ste. 100, Walnut, California 91789.

#### **JURISDICTION AND VENUE**

5. This action arises under the patent laws of the United States, 35 U.S.C. § 1 *et seq.*, including without limitation 35 U.S.C. §§ 271 and 281. This Court has exclusive jurisdiction over the subject matter of this action under 28 U.S.C. §§ 1331 and 1338(a).

6. This Court has personal jurisdiction over Defendants under Wis. Stat. § 801.05(1)(d), among other provisions. Defendants regularly and deliberately engage in and continue to engage in activities that result in using, selling, offering for sale, and/or importing infringing products in and/or into the State of Wisconsin and this judicial district. This Court has personal jurisdiction over the Defendants because, among other things, Defendants conduct business in the State of Wisconsin and in this judicial district and thus enjoy the privileges and protections of Wisconsin law.

7. Venue is proper pursuant to 28 U.S.C. §§ 1391(b), (c), and (d) and 1400(b).

**BACKGROUND**

8. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

9. Cree is a market-leading innovator engaged in the design, manufacture, and sale of lighting products including light emitting diode (“LED”) products as well as devices and apparatuses utilizing LEDs.

10. Cree’s Ruud Lighting operation, which was likewise engaged in the design, manufacture, and sale of LED lighting products, legally merged into Cree effective January 1, 2013. Cree continues to design, develop, and manufacture its LED lighting products in Wisconsin.

11. Defendants make, use, sell, offer to sell in, and/or import into the United States lighting products including LED products and apparatuses utilizing LEDs.

**COUNT I: INFRINGEMENT OF U.S. PATENT NO. 6,600,175**

12. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

13. Cree is the owner, by assignment in 2004, of United States Patent No. 6,600,175 (the ‘175 Patent”) titled “Solid State White Light Emitter and Display Using the Same.” The ‘175 Patent was duly and legally issued by the United States Patent and Trademark Office on July 29, 2003. A true and correct copy of the ‘175 Patent is attached as Exhibit A.

14. As the owner of the '175 Patent, Cree is authorized and has standing to bring legal action to enforce all rights arising under the '175 Patent.

15. Defendants have infringed, and will continue to infringe, by making, using, selling, offering to sell in, and/or importing into the United States white LED products that include structure(s) recited in at least one claim of the '175 Patent. Such Kingbright products include, by way of example and without limitation, Kingbright defendants' white LED products identified as "Warm White" AA3535QR425Z1S-W2, "Neutral White" AA3535QR425Z1S-N1, "Cool White" AA3535QR425Z1S-C1, "Cool White" AA3535QR4A25Z4S-C1, "Cool White" AAAF5051QR425Z3S-C1, "Warm White" AA3535QR4A25Z4S-W2, and "Neutral White" AA3535QR4A25Z4S-N1. Such SunLED products include, by way of example and without limitation, SunLED defendant's "Cool White" XZR UW46X143SCA, "Neutral White" XZR UW46X143SNA, "Warm White" XZR UW46X143SWB, "Cool White" XZWR14X146SCA, "Neutral White" XZWR14X146SNA, "Warm White" XZWR14X146SWB, "Cool White" XZWRA25X92SCA-4, "Neutral White" XZWRA25X92SNA-4, "Warm White" XZWRA25X92SWB-4, "Cool White" XZ4WRA20X146SCA, and "Warm White" XZ4WRA20X146SWB.

16. Defendants have had actual knowledge of the '175 Patent at least since December 2005. In December 2005, Kingbright Electronic Co., Ltd. (listing SunLED Corporation as an affiliate) signed a Patent License Agreement related to, *inter alia*, the '175 Patent. That patent license agreement was terminated on August 14, 2014. Defendants continue to, *inter alia*, make sell, offer for sale, and/or import into the United States infringing white LED products, thus intending for its actions to result in

infringement or disregarding an objectively high likelihood that such actions will result in infringement. Defendants' infringement is therefore willful.

17. On information and belief, Defendants have knowingly induced infringement, and have had specific intent to induce infringement of the '175 Patent by, *inter alia*, marketing, selling, supporting sales, and/or distributing infringing white LED products. Defendants' customers, including without limitation manufacturers and contract manufacturers of products including LEDs, directly infringe the '175 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing white LED products, or products that include white LEDs, with structure(s) recited in at least one claim of the '175 Patent.

18. On information and belief, Defendants have and will continue to commit contributory infringement of the '175 Patent by selling their infringing LED products, which are material components without substantial non-infringing uses, to customers that incorporate those products into devices to be sold and/or imported into the United States. On information and belief, Defendants had knowledge and continue to have knowledge that such components are especially made or adapted for use in such a manner that would/will infringe the '175 Patent. Defendants' customers directly infringe the '175 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing into the United States white LED products, or products that include white LEDs, with structure(s) recited in at least one claim of the '175 Patent.

19. As a result of Defendants' infringement of the '175 Patent, Cree has suffered and will continue to suffer irreparable and monetary damages in an amount to be

determined at trial, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court.

**COUNT II: INFRINGEMENT OF U.S. PATENT NO. 7,943,945**

20. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

21. Cree is the owner of United States Patent No. 7,943,945 (“the ’945 Patent”) titled “Solid State White Light Emitter and Display Using the Same.” The reexamination certificate for the ’945 Patent was duly and legally issued by the United States Patent and Trademark Office on September 20, 2013. A true and correct copy of the ’945 Patent is attached as Exhibit B.

22. As the owner of the ’945 Patent, Cree is authorized and has standing to bring legal action to enforce all rights arising under the ’945 Patent.

23. Defendants have infringed and will continue to infringe by making, using, selling, offering to sell in, and/or importing into the United States white LED products that include structure(s) recited in at least one claim of the ’945 Patent. Such Kingbright products include, by way of example and without limitation, Kingbright defendants’ white LED products identified as “Warm White” AA3535QR425Z1S-W2, “Cool White” AA3535QR4A25Z4S-C1, “Cool White” AA3535QR425Z3S-C1, “Warm White” AA3535QR4A25Z4S-W2, and “Neutral White” AA3535QR4A25Z4S-N1. Such SunLED products include, by way of example and without limitation, SunLED defendant’s “Cool White” XZR UW46X143SCA, “Neutral White” XZR UW46X143SNA, “Warm White” XZR UW46X143SWB, “Cool White” XZR W14X146SCA, “Neutral White” XZR W14X146SNA, “Warm White” XZR W14X146SWB, “Cool White”

XZWRA25X92SCA-4, “Neutral White” XZWRA25X92SNA-4, “Warm White” XZWRA25X92SWB-4, “Cool White” XZ4WRA20X146SCA, and “Warm White” XZ4WRA20X146SWB.

24. The Kingbright defendants have had actual knowledge of the '945 Patent at least since June 14, 2013. On information and belief, Defendant SunLED has had actual knowledge of the '945 Patent at least since June 14, 2013. Defendants continue to, *inter alia*, make sell, offer for sale, and/or import into the United States infringing white LED products, thus intending for their actions to result in infringement or disregarding an objectively high likelihood that such actions will result in infringement. Defendants' infringement is therefore willful.

25. On information and belief, Defendants have knowingly induced infringement, and have had specific intent to induce infringement of the '945 Patent by, *inter alia*, marketing, selling, supporting sales, and/or distributing infringing white LED products. Defendants' customers, including without limitation manufacturers and contract manufacturers of products including LEDs, directly infringe the '945 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing white LED products, or products that include white LEDs, with structure(s) recited in at least one claim of the '945 Patent.

26. On information and belief, Defendants have and will continue to commit contributory infringement of the '945 Patent by selling their infringing LED products, which are material components without substantial non-infringing uses, to customers that incorporate those products into devices to be sold and/or imported into the United States. On information and belief, Defendants had knowledge and continue to have knowledge

that such components are especially made or adapted for use in such a manner that would/will infringe the '945 Patent. Defendants' customers directly infringe the '945 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing into the United States white LED products, or products that include white LEDs, with structure(s) recited in at least one claim of the '945 Patent.

27. As a result of Defendants' infringement of the '945 Patent, Cree has suffered and will continue to suffer irreparable and monetary damages in an amount to be determined at trial, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court.

**COUNT III: INFRINGEMENT OF U.S. PATENT NO. 8,659,034**

28. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

29. Cree is the owner of United States Patent No. 8,659,034 ("the '034 Patent") titled "Solid State White Light Emitter and Display Using the Same." The '034 Patent was duly and legally issued by the United States Patent and Trademark Office on February 25, 2014. A true and correct copy of the '034 Patent is attached as Exhibit C.

30. As the owner of the '034 Patent, Cree is authorized and has standing to bring legal action to enforce all rights arising under the '034 Patent.

31. Defendants have infringed and will continue to infringe by making, using, selling, offering to sell in, and/or importing into the United States white LED products that include structure(s) recited in at least one claim of the '034 Patent. Such Kingbright products include, by way of example and without limitation, Kingbright defendants' white LED products identified as "Warm White" AA3535QR425Z1S-W2, "Cool White"

AA3535QR4A25Z4S-C1, “Cool White” AA3535QR425Z3S-C1, “Warm White” AA3535QR4A25Z4S-W2, and “Neutral White” AA3535QR4A25Z4S-N1. Such SunLED products include, by way of example and without limitation, SunLED defendant’s “Cool White” XZR UW46X143SCA, “Neutral White” XZR UW46X143SNA, “Warm White” XZR UW46X143SWB, “Cool White” XZWR14X146SCA, “Neutral White” XZWR14X146SNA, “Warm White” XZWR14X146SWB, “Cool White” XZWRA25X92SCA-4, “Neutral White” XZWRA25X92SNA-4, “Warm White” XZWRA25X92SWB-4, “Cool White” XZ4WRA20X146SCA, and “Warm White” XZ4WRA20X146SWB.

32. The Kingbright defendants have had actual knowledge of the ’034 Patent at least since March 2014. On information and belief, Defendant SunLED has had actual knowledge of the ’034 Patent at least since March 2014. Defendants continue to, *inter alia*, make, sell, offer for sale, and/or import into the United States infringing white LED products, thus intending for their actions to result in infringement or disregarding an objectively high likelihood that such actions will result in infringement. Defendants’ infringement is therefore willful.

33. On information and belief, Defendants have knowingly induced infringement, and have had specific intent to induce infringement of the ’034 Patent by, *inter alia*, marketing, selling, supporting sales, and/or distributing infringing white LED products. Defendants’ customers, including without limitation manufacturers and contract manufacturers of products including LEDs, directly infringe the ’034 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing white LED

products, or products that include white LEDs, with structure(s) recited in at least one claim of the '034 Patent.

34. On information and belief, Defendants have and will continue to commit contributory infringement of the '034 Patent by selling their infringing LED products, which are material components without substantial non-infringing uses, to customers that incorporate those products into devices to be sold and/or imported into the United States. On information and belief, Defendants had knowledge and continue to have knowledge that such components are especially made or adapted for use in such a manner that would/will infringe the '034 Patent. Defendants' customers directly infringe the '034 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing into the United States white LED products, or products that include white LEDs, with structure(s) recited in at least one claim of the '034 Patent.

35. As a result of Defendants' infringement of the '034 Patent, Cree has suffered and will continue to suffer irreparable and monetary damages in an amount to be determined at trial, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court.

**COUNT IV: INFRINGEMENT OF U.S. PATENT NO. 7,910,938**

36. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

37. Cree is the owner of United States Patent No. 7,910,938 ("the '938 Patent") titled "Encapsulant Profile for Light Emitting Diodes." The '938 Patent was duly and legally issued by the United States Patent and Trademark Office on March 22, 2011. A true and correct copy of the '938 Patent is attached as Exhibit D.

38. As the owner of the '938 Patent, Cree is authorized and has standing to bring legal action to enforce all rights arising under the '938 Patent.

39. Defendants have infringed and will continue to infringe by making, using, selling, offering to sell in, and/or importing into the United States encapsulated LED products that include structure(s) recited in at least one claim of the '938 Patent. Such products include, by way of example and without limitation, Defendants' encapsulated LED product identified as "Warm White" AA3535QR425Z1S-W2.

40. The Kingbright defendants have had actual knowledge of the '938 Patent at least since June 14, 2013. On information and belief, Defendant SunLED has had actual knowledge of the '938 Patent at least since June 14, 2013. Defendants continue to, *inter alia*, make, sell, offer for sale, and/or import into the United States infringing encapsulated LED products, thus intending for their actions to result in infringement or disregarding an objectively high likelihood that such actions will result in infringement. Defendants' infringement is therefore willful.

41. On information and belief, Defendants have knowingly induced infringement, and have had specific intent to induce infringement of the '938 Patent by, *inter alia*, marketing, selling, supporting sales, and/or distributing infringing encapsulated LED products. Defendants' customers, including without limitation manufacturers and contract manufacturers of products including LEDs, directly infringe the '938 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing encapsulated LED products, or products that include encapsulated LEDs, with structure(s) recited in at least one claim of the '938 Patent.

42. On information and belief, Defendants have and will continue to commit contributory infringement of the '938 Patent by selling their infringing LED products, which are material components without substantial non-infringing uses, to customers that incorporate those products into devices to be sold and/or imported into the United States. On information and belief, Defendants had knowledge and continue to have knowledge that such components are especially made or adapted for use in such a manner that would/will infringe the '938 Patent. Defendants' customers directly infringe the '938 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing into the United States encapsulated LED products, or products that include encapsulated LEDs, with structure(s) recited in at least one claim of the '938 Patent.

43. As a result of Defendants' infringement of the '938 Patent, Cree has suffered and will continue to suffer irreparable and monetary damages in an amount to be determined at trial, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court.

**COUNT V: INFRINGEMENT OF U.S. PATENT NO. 8,766,298**

44. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

45. Cree is the owner of United States Patent No. 8,766,298 ("the '298 Patent") titled "Encapsulant Profile for Light Emitting Diodes." The '298 Patent was duly and legally issued by the United States Patent and Trademark Office on July 1, 2014. A true and correct copy of the '298 Patent is attached as Exhibit E.

46. As the owner of the '298 Patent, Cree is authorized and has standing to bring legal action to enforce all rights arising under the '298 Patent.

47. Defendants have infringed and will continue to infringe by making, using, selling, offering to sell in, and/or importing into the United States encapsulated LED products that include structure(s) recited in at least one claim of the '298 Patent. Such products include, by way of example and without limitation, Defendants' encapsulated product identified as "Warm White" AA3535QR425Z1S-W2.

48. As a result of Defendants' infringement of the '298 Patent, Cree has suffered and will continue to suffer irreparable and monetary damages in an amount to be determined at trial, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court.

**COUNT VI: INFRINGEMENT OF U.S. PATENT NO. 8,362,605**

49. Cree repeats and re-alleges each and every allegation of the foregoing paragraphs as though fully set forth herein.

50. Cree is the owner, by assignment on September 12, 2014, of United States Patent No. 8,362,605 ("the '605 Patent") titled "Apparatus and Method for Use in Mounting Electronic Elements." The '605 Patent was duly and legally issued by the United States Patent and Trademark Office on January 29, 2013. A true and correct copy of the '605 Patent is attached as Exhibit F.

51. As the owner of the '605 Patent, Cree is authorized and has standing to bring legal action to enforce all rights arising under the '605 Patent.

52. Defendants have infringed and will continue to infringe by making, using, selling, offering to sell in, and/or importing into the United States surface mount lead frame based LED products that include structure(s) recited in at least one claim of the '605 Patent. Such products include, by way of example and without limitation,

Defendants' surface mount lead frame based LED products AA3528QBS/D and AA3528CGSK.

53. The Kingbright defendants have had actual knowledge of the '605 Patent at least since July 2013. On information and belief, Defendant SunLED has had actual knowledge of the '605 Patent since at least June 14, 2013. Defendants continue to, *inter alia*, make, sell, offer for sale, and/or import into the United States infringing surface mount lead frame based LED products, thus intending for their actions to result in infringement or disregarding an objectively high likelihood that such actions will result in infringement. Defendants' infringement is therefore willful.

54. On information and belief, Defendants have knowingly induced infringement and have had specific intent to induce infringement of the '605 Patent by *inter alia*, marketing, selling, supporting sales, and/or distributing infringing surface mount lead frame based LED products. Defendants' customers, including without limitation manufacturers and contract manufacturers of products including LEDs, directly infringe the '605 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing surface mount lead frame based LED products, or products including surface mount lead frame based LED products, with structure(s) recited in at least one claim of the '605 Patent.

55. On information and belief, Defendants have and will continue to commit contributory infringement of the '605 Patent by selling their infringing LED products, which are material components without substantial non-infringing uses, to customers that incorporate those products into devices to be sold and/or imported into the United States. On information and belief, Defendants had knowledge and continue to have knowledge

that such components are especially made or adapted for use in such a manner that would/will infringe the '605 Patent. Defendants' customers directly infringe the '605 Patent by, *inter alia*, making, using, selling, offering to sell in, and/or importing into the United States surface mount lead frame based LED products, or products including surface mount lead frame based LED products, with structure(s) recited in at least one claim of the '605 Patent.

56. As a result of Defendants' infringement of the '605 Patent, Cree has suffered and will continue to suffer irreparable and monetary damages in an amount to be determined at trial, but in no event less than a reasonable royalty, together with interest and costs as fixed by the Court.

**PRAYER FOR RELIEF**

WHEREFORE, Cree prays for entry of judgment against each Defendant (and its subsidiaries, successors, parents, affiliates, officers, directors, agents, servants, and employees) as follows:

- A. An entry of judgment in favor of Cree and against Defendants that Defendants willfully infringe the '175, '945, '034, '938 and '605 Patents;
- B. An entry of judgment in favor of Cree and against Defendants that Defendants infringe the '175, '945, '034, '938, '298, and '605 Patents under 35 U.S.C. § 271;
- C. A permanent injunction against further infringement of the '175, '945, '034, '938, '298, and '605 Patents by Defendants and all persons in active concert or participation with it pursuant to 35 U.S.C. § 283;

- D. An award of damages adequate to compensate Cree for Defendants' infringement and willful infringement together with prejudgment interest from the date of infringement began, but in no event less than a reasonable royalty;
- E. An award of any other damages permitted under 35 U.S.C. §§ 284 and 285, including without limitation treble damages; and
- F. Such other and further relief as this Court or a jury may deem just and proper.

**JURY DEMAND**

Cree requests a trial by jury.

Dated: September 15, 2014

Respectfully submitted,

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