

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

COMMSCOPE, INC. OF NORTH CAROLINA)
and ADC TELECOMMUNICATIONS, INC.,)
)
Plaintiffs,)
)
v.) C.A. No. _____
)
CORNING OPTICAL COMMUNICATIONS) **JURY TRIAL DEMANDED**
WIRELESS LTD.,)
)
Defendant.)

COMPLAINT

This is an action for breach of contract and for declaratory judgment of patent non-infringement. Plaintiffs CommScope, Inc. of North Carolina and ADC Telecommunications, Inc. allege as follows:

Parties

1. Plaintiff CommScope, Inc. of North Carolina (“CommScope”) is a North Carolina corporation having a principal place of business at 1100 CommScope Place SE, Hickory, North Carolina 28602.
2. Plaintiff ADC Telecommunications, Inc. (“ADC”) is a Minnesota corporation having a principal place of business at 1100 CommScope Place SE, Hickory, North Carolina 28602. On August 28, 2015 ADC was acquired by and became a subsidiary of CommScope and is currently a subsidiary of CommScope. ADC is owned by CommScope Technologies LLC, which was formerly known as Andrew LLC. CommScope Technologies LLC is a subsidiary of CommScope.

3. Defendant Corning Optical Communications Wireless Ltd. (“Corning”) is an Israeli corporation having a principal place of business at Hagolan St. & Hanegev St. Golan Building, Airport City, Israel 70151.

4. Upon information and belief, Corning was previously known as “Corning MobileAccess Ltd.”

5. Upon information and belief Corning was also previously known as “MobileAccess Networks Ltd.”

Background

6. On September 22, 2010, Defendant Corning (when known as MobileAccess Networks Ltd.) and one of its affiliates filed a complaint in this judicial district against CommScope, Inc. and one of CommScope’s affiliates, Andrew LLC, alleging, inter alia, patent infringement of U.S. Patent No. 5,969,837 (“the ’837 patent”) (Ex. A). See *MobileAccess Networks, Inc. et al. v. CommScope, Inc.*, Civil Action No. 1:10-cv-00804-LPS in the United States District Court for the District of Delaware (“the Prior Delaware Action”).

7. On December 30, 2010, CommScope and its affiliate, Andrew LLC, filed an answer and counterclaims in the Prior Delaware Action alleging, inter alia, patent infringement against Corning’s affiliate.

8. To resolve the dispute in the Prior Delaware Action, Corning (which was then known as MobileAccess Networks Ltd.) and CommScope entered into a Patent License Agreement (“the PL Agreement”) dated January 14, 2011. Corning’s affiliate (MobileAccess Networks, Inc.) and CommScope’s affiliate (Andrew LLC) were also named as parties to the PL Agreement.

9. As detailed below, under the terms of the PL Agreement, Corning covenanted not to sue CommScope and/or CommScope's Affiliates for any claim of patent infringement with respect to products as defined by the terms of the PL Agreement.

10. The PL Agreement also granted CommScope and its Affiliates a license to practice the '837 patent for products as defined by the terms of the PL Agreement.

11. The term "Affiliate" is defined in the PL Agreement to include future CommScope wholly-owned subsidiaries in paragraph 1.1, subpart (b), which states: "an '**Affiliate**' of a Party means any business entity that... subsequent to the Effective Date, is controlled by one or more of the entities that form the Party. For purposes of this definition, '**control**' means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise."

12. By acquisition on August 28, 2015, ADC Telecommunications, Inc. became a wholly-owned subsidiary of CommScope. As of August 28, 2015, ADC was an "Affiliate" of CommScope under the terms of the PL Agreement and entitled to the benefit of Corning's covenant not to sue for patent infringement.

13. Pursuant to the terms of the PL Agreement ADC is entitled to the benefit of the license granted in the PL Agreement to CommScope's Affiliates.

14. On August 31, 2015, Corning filed a complaint against ADC in the United States District Court for the Northern District of California, alleging both past and ongoing infringement of the '837 patent and U.S. Patent No. 7,822,148 ("the '148 patent") (Ex. B) by ADC. That action is titled *Corning Optical Communications Wireless Ltd. v. LGC Wireless, Inc. et al*, Civil Action No. 3:15-cv-03976-SK ("the California Complaint"). LGC Wireless, Inc. no

longer exists. In 2010, LGC Wireless, Inc. became LGC Wireless LLC, and in 2011 LGC Wireless LLC was merged into ADC.

15. Based at least on Corning's filing of a complaint for patent infringement as described above, a definite and concrete controversy exists between the parties with respect to the '837 and '148 patents.

Jurisdiction

16. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a), in that it involves substantial claims arising under the United States Patent Act, 35 U.S.C. §1, *et seq.*

17. This Court may declare the rights and other legal relations of the parties pursuant to 28 U.S.C. §§ 2201 and 2202 because there is a case of actual controversy within the Court's jurisdiction to provide a declaratory judgment that the '148 patent and the '837 patent are not infringed.

18. This Court also has subject matter jurisdiction pursuant to 28 U.S.C. § 1367 in that it involves claims of breach of contract that are supplemental to the patent claims that are within this Court's original jurisdiction. The claims for breach of contract are so related to the claims for non-infringement that they form part of the same case or controversy. Plaintiffs seek a declaratory judgment, *inter alia*, of non-infringement of the '837 and '148 patents. Defendant's recent assertions of these same two patents in the California Complaint have not only established a definite and concrete controversy between the parties warranting the requested declaratory judgment, but also have caused a breach of Corning's covenant not to sue Plaintiffs for infringement of these patents.

19. This Court also has subject matter jurisdiction over the breach of contract claim

pursuant to 28 U.S.C. § 1332 based on diversity of citizenship. This matter is between citizens of the United States against a citizen of a foreign state and the amount in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs. The Defendant is a citizen of Israel. The Plaintiffs are citizens of North Carolina and Minnesota, respectively. As stated above, Defendant is a corporation incorporated under the laws of Israel with a principal place of business in Israel. Plaintiff CommScope is a corporation incorporated under the laws of North Carolina with its principal place of business in North Carolina. Plaintiff ADC is a corporation incorporated under the laws of Minnesota with its principal place of business in North Carolina.

20. Corning is subject to personal jurisdiction in this forum by consent. The PL Agreement that is the basis for this breach of contract action included a forum selection and choice of law provision at paragraph 6.3 which states: “Choice of Law and Venue. This Agreement shall be interpreted under and governed by the laws of the State of Delaware, exclusive of any choice of law rules that might apply the law of any other jurisdiction. Any disputes related to the Agreement shall be litigated in the U.S. District Court for the District of Delaware, or alternatively, the Delaware Court of Chancery, which the parties agree are the appropriate venues for litigating any disputes concerning the Agreement.”

21. This court has personal jurisdiction over Corning because, *inter alia*, Corning transacts business in this judicial district relating to the '837 and the '148 patents. Corning previously enforced the '837 patent against CommScope, Inc. in this district and entered into a contract relating to the '837 and '148 patents that called for performance in this district.

22. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b), (c) and 1400(b).

Count I
Breach of Contract

23. The allegations of paragraphs 1 to 22 are incorporated by reference as if fully set forth herein.

24. The PL Agreement dated January 14, 2011, constituted a valid, binding, and enforceable contract between Corning (which was then known as MobileAccess Networks Ltd.) and CommScope.

25. Under the PL Agreement, CommScope and Corning as parties to the PL Agreement, exchanged covenants not to sue each other or each other's Affiliates for patent infringement with respect to products as defined by the terms of the PL Agreement.

26. The term "Affiliate" is defined in the PL Agreement to include future CommScope wholly-owned subsidiaries in paragraph 1.1, subpart (b), which states: "an '**Affiliate**' of a Party means any business entity that... subsequent to the Effective Date, is controlled by one or more of the entities that form the Party. For purposes of this definition, '**control**' means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise."

27. In addition to CommScope's covenant not to sue, the PL Agreement also provided Corning with other good and valuable consideration including, inter alia, a cross-license to certain patent rights and an agreement to dismiss certain patent-related claims and counterclaims then pending against Corning in the United States District Court for the District of Delaware, Civil Action No. 10-804.

28. CommScope has fulfilled all its obligations and conditions under the PL Agreement, including, for example, dismissing the then pending claims and counterclaims.

29. In paragraph 3.5(b) of the PL Agreement, Corning covenanted not to sue CommScope and/or CommScope's Affiliates for any claim of patent infringement with respect to products as defined by the terms of the PL Agreement. Paragraph 3.5(b) of the PL Agreement states as follows:

In consideration of the grant by Andrew of the license hereunder, and the other promises of Andrew in this Agreement, MobileAccess, for itself and its Affiliates, hereby covenants not to sue Andrew, its Affiliates and/or their customers (purchasers and users), contract manufacturers, distributors, and resellers acting on the behalf of Andrew or its Affiliates for any claim of patent infringement relating to any products (regardless of whether they were manufactured before or after the Effective Date) that prior to the Effective Date were being imported, offered for sale, sold, leased or put into use by Andrew and/or any of its Affiliates ("Andrew's Current Products") or to any new or revised future products (regardless of product name), that are introduced after the Execution Date, that are based on the same architecture as any of Andrew's Current Products, including incremental extensions of the product lines that have repackaged components, additional or different frequency bands, different frequency band combinations, different technologies and/or other natural enhancements/upgrades. The Parties agree that this covenant not to sue does not extend to any new or upgraded Andrew distributed antenna system that uses twisted pair cabling instead of fiber optic cabling or coaxial cabling. For clarity, the Parties agree Andrew's Current Products: (a) do not include products that employ the VE Architecture and that new or revised future products that employ the VE Architecture would not be considered incremental extensions to Andrew's Current Products for purposes of this Agreement, and (b) employ the Current DAS Architecture and that new or revised future products that do not employ the Current DAS Architecture would not be considered incremental extensions to Andrew's Current Products for purposes of this Agreement.

30. The word "Andrew" is defined by the first paragraph of the PL Agreement to refer collectively to multiple entities including CommScope and its subsidiary Andrew LLC.

31. As of August 28, 2015, ADC became an "Affiliate" of CommScope as defined by the terms of the PL Agreement.

32. Corning filed the California Complaint on August 31, 2015.

33. At the time Corning filed the California Complaint, ADC was an “Affiliate” of CommScope as defined by the terms of the PL Agreement.

34. Since the time Corning filed the California Complaint, ADC has continuously been and continues to be an “Affiliate” of CommScope as defined by the terms of the PL Agreement.

35. Affiliates of CommScope were intended, third party beneficiaries under the PL Agreement. A portion of the counterclaims asserted against Corning in the Prior Delaware Action and which were agreed to be dismissed by the terms of the PL Agreement had been asserted by a CommScope Affiliate, i.e. Andrew LLC. The PL Agreement demonstrates the mutual intent shared by CommScope and Corning that each of their Affiliates would benefit from the contract and specifically that each of their Affiliates would benefit from their respective covenants not to sue. For example, paragraph 3.5(b) of the PL Agreement states that Corning “covenants not to sue Andrew, its Affiliates and/or their customers...for any claim of patent infringement...” (emphasis added). The repeated emphasis in the PL Agreement of including “Affiliates” in both license grants, in both the representation provisions, in both release provisions, in both covenants not to sue, as well as the PL Agreement’s express statements that the agreement was being entered by the Parties “on behalf of their Affiliates,” and that each party had “entered into this Agreement in contemplation of performance by the other Party and its Affiliates” further demonstrates that the covenant not to sue and the other benefits being negotiated for the Affiliates, as a gift or as fulfilling potential liabilities owed to the Affiliates, were a motivating cause for entering into the Agreement and were a material part of the bargain.

36. The ADC products accused of infringement in the California Complaint fall within the category of products described in the PL Agreement that Corning covenanted not to sue for patent infringement.

37. By filing the California Complaint, Corning breached the PL Agreement.

38. By filing the California Complaint, Corning breached the PL Agreement, specifically, Corning's covenant not to sue Affiliates of CommScope for patent infringement.

39. Corning's breach of the PL Agreement has caused damage to Plaintiffs in excess of \$75,000, exclusive of interest and costs, and will continue to cause Plaintiffs to suffer substantial damages, and has caused and will continue to cause Plaintiffs to suffer irreparable harm for which there is no adequate remedy at law. For example, Plaintiffs will be forced to construe claim terms and prior art if forced to litigate Corning's infringement allegations.

Count II

Declaratory Judgment of Non-Infringement – U.S. Patent No. 5,969,837

40. The allegations of paragraphs 1 to 39 are incorporated by reference as if fully set forth herein.

41. As demonstrated by Corning's filing of the California Complaint, an actual and continuing controversy exists between Corning and the Plaintiffs.

42. Plaintiffs have not infringed, and have not committed any acts which would give rise to liability for infringement of, any properly construed, enforceable claims of the '837 patent.

43. Plaintiffs are therefore entitled to a judicial declaration that it has not infringed any properly construed, enforceable claims of the '837 patent.

Count III

Declaratory Judgment of Non-Infringement – U.S. Patent No. 7,822,148

44. The allegations of paragraphs 1 to 43 are incorporated by reference as if fully set forth herein.

45. As demonstrated by Corning’s filing of the California Complaint, an actual and continuing controversy exists between Corning and the Plaintiffs.

46. Plaintiffs have not infringed, and have not committed any acts which would give rise to liability for infringement of, any properly construed, enforceable claims of the ’148 patent.

47. Plaintiffs are therefore entitled to a judicial declaration that it has not infringed any properly construed, enforceable claims of the ’148 patent.

Jury Demand

48. Plaintiffs respectfully request a jury on all issues so triable.

Prayer for Relief

Plaintiffs respectfully request the following relief:

A. A declaratory judgment that Plaintiffs have not infringed any claim of the ’837 patent;

B. A declaratory judgment that Plaintiffs have not infringed any claim of the ’148 patent;

C. A judgment that Corning has breached the PL Agreement;

D. A judgment in an amount in excess of \$75,000 compensating Plaintiffs for their damages and injuries due to Corning’s breach of the PL Agreement, including damages resulting from Corning’s delay in dismissing its infringement claims;

E. A judgment and order of specific performance requiring Corning to immediately dismiss its claims of infringement against ADC and LGC in the matter of *Corning Optical*

Communications Wireless Ltd. v. LGC Wireless, Inc. et al, Civil Action No. 3:15-cv-03976-SK;

F. A judgment and order requiring Corning to pay the costs of this action, including all disbursements and attorney fees, if this case is exceptional as provided by 35 U.S.C. § 285; and

G. Such other and further relief that this Court may deem just and equitable.

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