

Alien Suing Intermec to Disprove Infringement

Alien says it is seeking a declaratory judgment to prove its RFID products do not violate Intermec's intellectual property.

By Mary Catherine O'Connor

June 2, 2006—Morgan Hill, Calif.-based RFID hardware supplier [Alien Technology](#) has filed a lawsuit against Everett, Wash.-based RFID hardware supplier [Intermec](#) in federal district court in the District of North Dakota. Alien is seeking a declaratory judgment to prove none of its RFID tags and readers infringe on 10 Intermec patents for RFID products and processes. Alien is also seeking to prove that the 10 patents are invalid.

"We don't believe our products infringe any Intermec IP, and we're asking the federal court to enforce that statement," says David Aaron, Alien's vice president and general counsel. He says his company is taking this legal action to "minimize burdensome royalties on RFID products for end users" and to "resolve any confusion and uncertainty in the RFID marketplace about Alien's products created by Intermec's lingering public threats of litigation."

Last year, Intermec launched the RFID Rapid Start Licensing Program as a means of providing licensing access to its more than 145 RFID-related patents. A total of 19 companies joined the program (see [19 Firms Join Intermec Licensing Program](#)). Alien was among those that did not. Aaron says his company chose not to participate because it believes none of its products infringe on any of Intermec's intellectual property.

In a statement e-mailed to *RFID Journal*, Intermec says it is not surprised by Alien's action, but that it continues to believe, and has said publicly, that Alien and others are selling products infringing Intermec RFID patents. Because Alien's action is a legal matter, Intermec says, it is unable to provide any further comment at this time. During its quarterly conference call on May 8, Intermec said it believes end users have plenty of choices to purchase RFID products licensed through the Rapid Start program, adding that it continues to "pursue infringers" of its RFID patents. "We are putting together cases, and looking at companies that are most disruptive to the industry, such as Alien and others. We expect enforcement actions within the year."

By seeking a declaratory judgment, Alien hopes to preclude Intermec's enforcement plans. A party that has been threatened with a patent-infringement lawsuit by another party may seek a declaratory judgment if it does not believe it has infringed any patents. A declaratory judgment does not order any action or result in any award of damages to any party to the case. Rather, it defines and makes legally binding the rights, duties or obligations of each party in a dispute. If the courts rule in Alien's favor, Aaron explains, Intermec would be prevented from taking legal actions against Alien with respect to the 10 patents named. After conducting a review of the Intermec RFID patents and a comparison of those patents with its products' design elements and operation, Alien believes it does not infringe Intermec intellectual property.

Intermec has been involved in litigation over its RFID patents since June 2004, when it sued Matrics (later purchased by [Symbol Technologies](#)), claiming the company violated four of its patents. This was the first of a

spate of suits and countersuits between Intermec and Symbol. In September of last year, the two firms agreed to settle the first of these matters (see [Intermec, Symbol Reach Major Agreement](#)), and they have since agreed to resolve the other suits.

In its litigation seeking a declaratory judgment, Alien is represented by Gregory Stone of the law firm [Munger, Tolles & Olson](#), and Sarah Andrews Herman of [Dorsey & Whitney](#).

The U.S. patents named in Alien's complaint for declaratory judgment are No. 5,030,087, for a "system for reading and writing data from and into remote tags"; No. 5,777,651, for a "method of grouping RF transponders"; No. 5,828,693, for a "spread spectrum frequency hopping reader system"; No. 5,850,181, for a "method of transporting radio frequency identification transponders to energize radio frequency identification transponders"; No. 5,912,632 for a "single chip tag oscillator circuit synchronized by base station modulation frequency"; No. 5,995,019 for a "method of communicating with RF transponders"; No. 6,288,629 for a "method of using write-ok flag for RF transponders"; No. 6,400,274 for "high-performance mobile power antennas"; No. 6,249,775 for an "apparatus for transporting radio frequency power to energize RFID transponders"; and No. 6,812,841 for a "passive RFID tag that retains state after temporary loss of power."

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