

Avery Dennison Sues Alien Technology, Alleging Patent Infringement

The company claims Alien's manufacturing process infringes upon Avery's IP for attaching integrated circuits to antennas, as well as for forming and testing RFID inlays.

By Mary Catherine O'Connor

April 2, 2008—[Avery Dennison](#), a maker of product labels and a provider of retail services, including RFID-based products and services, has filed a lawsuit against RFID hardware provider [Alien Technology](#), claiming Alien's manufacturing process infringes upon Avery's intellectual property (IP). The suit, filed on March 27 in the [U.S. District Court for the Northern District of Ohio](#), cites three separate Avery patents, which cover techniques for attaching integrated circuits to antennas, forming RFID inlays and testing RFID inlays while printing RFID-enabled labels.

In the suit, Avery Dennison is calling for Alien to discontinue using what it alleges is its technology, and to also compensate Avery for having infringed its IP. Avery would not provide any further details at this time. Alien says it can not comment on pending litigation, but indicated in an e-mail message to that the lawsuit would "not impact Alien's ability to timely deliver products and services...."

This isn't the first legal action Avery has taken to protect its IP around inlay manufacturing. In April 2007, the company filed suit against [Toray International](#), a large Japanese firm that manufactures industrial machinery (in addition to numerous other products, including plastics and textiles). Toray makes the machine Alien uses to attach a strap—an assembly composed of a chip and two conductive pads—to antenna to form an RFID inlay, and Avery alleges this equipment infringes its strap-attaching technology.

That suit was also filed in northern Ohio's U.S. District Court. Though Avery Dennison is based in Pasadena, Calif., its Web site indicates the company has a business division known as [Engineered Films](#), located in Painesville, Ohio.

In late September, court records show, Toray filed a "motion to dismiss for lack of personal jurisdiction, or in the alternative, motion to transfer venue." The two parties are currently engaged in settlement discussions, according to court papers.

RELATED_ARTICLES Late last year, Avery struck an exclusive agreement with [Mühlbauer](#), a Germany-based maker of RFID label and smart card machines. Under the terms of that deal, [Avery Dennison RFID](#) (Avery's RFID division) licensed its strap-attach technology to Mühlbauer for the German firm's TMA 15000 smart label strap-attach automation equipment (see [RFID News Roundup: Avery Dennison Licenses Strap-Attaching Technology to Mühlbauer](#)).

According to Avery Dennison RFID, its strap-attaching technology enables inlay converters to create RFID inlays without the high accuracy and clean room requirements needed for attaching a bare microchip directly to an antenna.

