

# Intermec Sues Matrics

One of the largest holders of RFID intellectual property wants its rival to start paying a 'reasonable' royalty.

By Jonathan Collins

June 8, 2004—Intermec Technologies, the Everett, Wash., company that is one of the largest holders of RFID intellectual property, has taken its first legal action to protect that property by filing a patent-infringement lawsuit against Matrics of Rockville, Md.

“Matrics has willfully and deliberately made, used, sold and offered RFID products—tags, readers and handhelds—that infringe our IP,” Tom Miller, the president and CEO of Intermec, has told *RFID Journal*.

According to Miller, the infringements were uncovered as Intermec examined Matrics products and systems following public statements from Matrics regarding its homegrown technology.

“Matrics had commented in several public forums and organizations saying that their products are free of other companies IP, and that is not the case,” says Miller.

In response to the suit, Matrics has told *RFID Journal* that it has yet to see the filing or details of the IP issues raised, but that it will take steps to resolve the issue. “As soon as we find out details of the filing we will examine their claims, and if we feel they are worthy we will license the technology. If not, America has a fine legal system and we will defend ourselves using that system,” says Piyush Sodha, CEO at Matrics.

According to Sodha, Matrics had its products and technology cleared from any patent infringement claims by an independent UCC review of its Electronic Product Code (EPC) Class 0 technology. The Uniform Code Council (UCC) is the parent of EPCglobal, the organization charged with commercializing EPC technology. Both Intermec and Matrics are EPCglobal members

In addition, according to Sodha, IP infringement claims from other RFID companies have also been investigated as they were brought to the Matrics, and all those claims have been proven to be unfounded.

Matrics says it currently licenses no technology in its offering, but it would not be against doing so. “We believe in licensing,” says Sodha.

Intermec asserts Matrics is infringing four of Intermec’s patents:

- \* U.S. Patent No. 6,371,375, which covers the method and apparatus for associating data with a wireless memory device;
- \* U.S. Patent No. 5,912,632, which covers how a passive single-chip RF tag’s oscillator circuit is synchronized by base station modulation frequency;
- \* U.S. Patent No. 5,995,019, which covers a method of communicating with RF transponders; and
- \* U.S. Patent No. 5,528,222, which covers a radio-frequency circuit and memory in a thin flexible package.

The Intermec filing asks for Matrics to start paying a “reasonable” royalty but does not call for Matrics to stop selling its products. “We did not file for punitive injunction relief so as not to disrupt the market but the issue of IP has to be resolved,” explains Miller.

Matrics maintains the lawsuit has no bearing on its existing or potential customers. “All our customers are protected. We assume all liability and risk related to our products,” says Sodha.

Intermec, which filed its case in Federal District Court in Delaware, says it is looking for a swift resolution of the issue whereby Matrics would join Intermec’s existing RFID IP-licensing program launched back in 2000.

The two companies currently line up on opposing sides of the ongoing debate to develop the next-generation EPC standard. While Intermec, Philips Semiconductors and Texas Instruments, back the Global Proposal Matrics along with Alien Technology and Atmel, are backing the rival Freedom Proposal. (See And Then There Were Two.) Intermec maintains, however, that the lawsuit is in unrelated to that ongoing process.

“This is not related to EPC or any specific standards process. It relates to Matrics’ noise and confusion,” says Miller.

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