IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF MICHIGAN

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) Civil Action No
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) Hon
) COMPLAINT and JURY DEMAND
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COMPLAINT

Magna Electronics Inc. hereby complains of Valeo, Inc., Valeo S.A., Valeo GmbH, Valeo Shalter und Sensor GmbH, Valeo Vision Systems, and Connaught Electronics Ltd. and alleges as follows:

THE PARTIES

- 1. Magna Electronics Inc. is a corporation organized and existing under the laws of the State of Delaware, registered to do business in the State of Michigan with a registered office of 601 Abbott Road, East Lansing, MI 48823, and a place of business at 2050 Auburn Hills, Michigan 48326, and is doing business in this District (hereinafter "Magna" or "Plaintiff").
- 2. Defendant Valeo, Inc. ("VALEO US"), upon information and belief, is a New York corporation registered to do business in the State of Michigan, with a principal executive office at 150 Stephenson Highway, Troy, MI 48083, and is doing business in this District. Upon information and belief, VALEO US does business under various assumed names and through various operating divisions and companies.

- 3. Defendant VALEO S.A. ("VALEO FRANCE"), upon information and belief, is a French corporation, with a business address of 43, rue Bayen, Paris, France 75848. Upon information and belief, VALEO France does business under various assumed names and through various operating divisions and companies.
- 4. Defendant VALEO GMBH ("VALEO GERMANY"), upon information and belief, is a German corporation, with a business address of Benzstrasse 33, 38446, Wolfsburg, Germany. Upon information and belief, VALEO GERMANY does business under various assumed names and through various operating divisions and companies.
- 5. Defendant VALEO SHALTER UND SENSOREN GMBH ("VALEO SHALTER"), upon information and belief, is a German corporation, with a business address of Valeostrasse 1, 86650, Wemding, Germany. Upon information and belief, VALEO SHALTER does business under various assumed names and through various operating divisions and companies.
- 6. Defendant VALEO VISION SYSTEMS ("VALEO VISION"), upon information and belief, is a German corporation, with a business address of Laiernstrasse 12, 74321, Bietigheim-Bissingen, Germany. Upon information and belief, VALEO VISION does business under various assumed names and through various operating divisions and companies.
- 7. Defendant CONNAUGHT ELECTRONICS LTD. ("VALEO CONNAUGHT"), upon information and belief, is an Irish corporation, with a business address of IDA Business Park, Dunmore Road, Tuam, County Galway, Ireland. Upon information and belief, VALEO CONNAUGHT does business as Valeo Vision Systems and/or has changed its name to Valeo Vision Systems/formerly Connaught Electronics Ltd., and does business under various assumed names and through various operating divisions and companies.

- 8. On information and belief, Defendants VALEO US, VALEO FRANCE, VALEO GERMANY, VALEO SHALTER, VALEO VISION and VALEO CONNAUGHT are related companies. On information and belief, VALEO US, VALEO GERMANY, VALEO SHALTER, VALEO VISION and VALEO CONNAUGHT report to VALEO FRANCE, either directly or indirectly, and are ultimately controlled by VALEO FRANCE. (The defendants are hereinafter collectively referred to as "VALEO," "Defendants VALEO" or "Defendants.")
- 9. Defendants VALEO US, VALEO FRANCE, VALEO GERMANY, VALEO SHALTER, VALEO VISION and VALEO CONNAUGHT, upon information and belief, are doing business within the State of Michigan and within this District, directly and/or by the placing of products into the stream of commerce targeting the State of Michigan and this District, and are engaged in continuous and systematic business with and within this District, conduct and solicit business within this District and derive substantial revenue from the sales of their products and/or services within this District and elsewhere in Michigan, and including the commission of acts of infringement as hereinafter stated.

JURISDICTION AND VENUE

- 10. This action arises under the patent laws of the United States, Title 35 of the United States Code, §§1 et seq. This action also arises under the Federal Declaratory Judgment Act, Title 28 of the United States Code, §§ 2201 and 2202, for a declaration pursuant to the Patent Laws of the United States, 35 U.S.C. §§1 et seq.
- 11. This Court has jurisdiction in this action under 28 U.S.C. §§1331 and 1338. Venue is proper in this judicial district pursuant to 28 U.S.C. §§1391 and 1400.

BACKGROUND ALLEGATIONS

- 12. On February 4, 2014, United States Letters Patent No. 8,643,724 was duly and legally issued to Magna, as owner by assignment thereof, for an invention entitled "Multi-Camera Vision System For A Vehicle." A true and correct copy of United States Patent No. 8,643,724 is attached hereto as Exhibit 1 (hereinafter the "'724 Patent").
- 13. Magna is the owner, by valid assignment, of all right, title, and interest in and to the '724 Patent, including the right to seek remedies and relief for past infringement thereof.
- 14. Magna has provided actual notice to Defendants VALEO of the '724 Patent. The filing and Notice of this action and the Complaint in this action also provides actual notice to Defendants VALEO of the '724 Patent. Defendants have notice of the '724 Patent.
- 15. An actual and justiciable controversy exists between Magna and Defendants VALEO concerning whether the actions of Defendants VALEO infringe, contributorily infringe and/or induce infringement of the '724 Patent.
- VALEO has marketed, and upon information and belief offered for sale and sold, vision-based vehicle driver assistance systems utilizing what VALEO refers as a "multi-camera system" or Valeo's 360VUE® Vision System, including but not limited to systems that include at least three image capture devices disposed at a vehicle equipped with Valeo's vehicular multi-camera vision system (referred to herein as "Valeo Multi-Camera Vision Systems for A Vehicle.") Valeo's 360VUE® Vision System comprises a first image capture device disposed at a driver-side portion of the equipped vehicle at a first location and comprises a second image capture device disposed at a passenger-side portion of the equipped vehicle at a second location and comprises a third image capture device disposed at a rear portion of the equipped vehicle at a third location. The first image capture device has a first field of view exterior of the equipped

vehicle, the second image capture device has a second field of view exterior of the equipped vehicle and the third image capture device has a third field of view exterior of the equipped vehicle. The first field of view of the first image capture device overlaps with the third field of view of the third image capture device defining a first overlap zone. The second field of view of the second image capture device overlaps with the third field of view of the third image capture device defining a second overlap zone. The first image capture device captures first image data and the second image capture device captures second image data and the third image capture device captures third image data. An image processor receives first image data captured by the first image capture device via at least one of an analog data stream and a digital data stream and receives second image data captured by the second image capture device via at least one of an analog data stream and a digital data stream and receives third image data captured by the third image capture device via at least one of an analog data stream and a digital data stream. Responsive to processing by the image processor of received image data, a synthesized image is generated without duplication of objects present in the first overlap zone and in the second overlap zone. The synthesized image approximates a view as would be seen by a virtual camera at a single location exterior of the equipped vehicle. The synthesized image is displayed by a single display screen of a reconfigurable display device that is viewable by a driver of the equipped vehicle when normally operating the equipped vehicle.

17. Upon information and belief, VALEO has installed and utilizes VALEO Multi-Camera Vision Systems for A Vehicle in one or more vehicles to develop and establish the operability of VALEO Multi-Camera Vision Systems for A Vehicle and for purposes of offering for sale and sale of VALEO Multi-Camera Vision Systems for A Vehicle. Upon information and belief, at least one customer of VALEO has entered into an agreement with VALEO to purchase

VALEO Multi-Camera Vision Systems for A Vehicle adapted to vehicles of said customer, and said customer has installed one or more VALEO Multi-Camera Vision Systems for A Vehicle into vehicles and tested systems for purposes of engaging in sales to end users of vehicles equipped with VALEO Multi-Camera Vision Systems for A Vehicle, such customer including for example and without limitation, Bayerische Motoren Werke AG (BMW), including for example and without limitation for BMW X5 SUV vehicles manufactured by BMW in Spartanburg, South Carolina. Upon information and belief, VALEO has continued, including continuing after notice, with the use of VALEO Multi-Camera Vision Systems for A Vehicle, delivery of VALEO Multi-Camera Systems and in the making of offers for sale of VALEO Multi-Camera Vision Systems for A Vehicle to automobile manufacturers.

<u>COUNT I</u> Infringement of United States Patent No. 8,643,724

- 18. Plaintiff incorporates and reasserts paragraphs 1-17 herein by reference.
- 19. Defendants VALEO have, on information and belief, in the past been and still are infringing United States Letters Patent 8,643,724 by making, importing, using, selling, and/or offering for sale in and to the United States products incorporating VALEO Multi-Camera Vision Systems for A Vehicle embodying the patented invention of the '724 Patent. Upon information and belief Defendants VALEO have individually and jointly combined to engage in acts of direct infringement by themselves and through agents acting in combination, such agents including for example and without limitation, Bayerische Motoren Werke AG (BMW), including for example and without limitation for BMW X5 SUV vehicles manufactured by BMW in Spartanburg, South Carolina.
- 20. Upon information and belief, with knowledge and/or reckless disregard amounting to knowledge of the infringement by the aforesaid products of the '724 Patent,

Defendants have provided VALEO Multi-Camera Vision Systems for A Vehicle to at least one third party for use in infringement of the '724 Patent, such third parties including for example and without limitation, Bayerische Motoren Werke AG (BMW), including for example and without limitation for BMW X5 SUV vehicles manufactured by BMW in Spartanburg, South Carolina. Use by third parties of the aforesaid VALEO Multi-Camera Vision Systems for A Vehicle obtained from or through Defendants VALEO, upon information and belief, infringes the '724 Patent. The actions of Defendants VALEO constitute inducement of infringement of United States Letters Patent No. 8,643,724, such induced infringement including for example and without limitation that of Bayerische Motoren Werke AG (BMW), including for example and without limitation for BMW X5 SUV vehicles manufactured by BMW in Spartanburg, South Carolina.

21. Upon information and belief, Defendants VALEO manufacture, import, sell, and/or offer to sell VALEO Multi-Camera Vision Systems for A Vehicle and/or components thereof with knowledge and/or reckless disregard amounting to knowledge that said VALEO Multi-Camera Vision Systems for A Vehicle and/or components thereof constitute a material part of the invention of the '724 Patent and that are specially made or specially adapted for use in the infringement of the '724 Patent, and said VALEO Multi-Camera Vision Systems for A Vehicle and/or components thereof are not a staple article or commodity of commerce suitable for substantial noninfringing use. The actions of Defendants VALEO constitute contributory infringement of United States Letters Patent No. 8,643,724, including for example and without limitation contributory infringement by VALEO Multi-Camera Vision Systems for A Vehicle and/or components thereof provided to and used by Bayerische Motoren Werke AG (BMW),

including for example and without limitation for BMW X5 SUV vehicles manufactured by BMW in Spartanburg, South Carolina.

- 22. Upon information and belief, Defendants' infringement, contributory infringement, and inducement of infringement have been willful.
- 23. Despite any statement to the contrary, upon information and belief, Defendants VALEO will continue to infringe, contributorily infringe and induce the infringement of the '724 Patent unless enjoined by this Court.
- 24. Upon information and belief, Defendants' infringement, contributory infringement, and inducement of infringement have resulted in damage to Plaintiff and will continue to do so unless enjoined by this Court.
- 25. Plaintiff has no adequate remedy at law, and is, therefore, entitled to a permanent injunction prohibiting further infringement by Defendants.
- 26. Plaintiff has been damaged by past activities of Defendants, and is entitled to damages for past infringement, contributory infringement and inducement of infringement.
- 27. In the alternative, Plaintiff is entitled to a declaration from the Court establishing that the actions of Defendants VALEO are infringing, contributorily infringing, and inducing infringement of the '724 Patent.

WHEREFORE, Plaintiff Magna demands that judgment be entered in its favor against Defendants VALEO, as follows:

- A. Entering an order determining and/or declaring that Defendants VALEO, and each of them, infringe, contributorily infringe and induce infringement of the '724 Patent.
- B. Permanently enjoining Defendants VALEO, their officers, agents, servants, employees, attorneys, and all those persons in privity or in active concert or participation with

them, and each of them, from further manufacture, importation, sale, offer for sale, and/or use of

an apparatus which infringes, contributorily infringes, or induces infringement of the '724

Patent.

C. Permanently enjoining Defendants VALEO, their officers, agents, servants,

employees, attorneys, and all those persons in privity or in active concert or participation with it,

and each of them, from further acts of infringement of the '724 Patent.

D. Ordering an accounting.

E. Awarding damages adequate to compensate Plaintiff for Defendants'

infringement, contributory infringement, and inducement of infringement of the '724 Patent.

F. Increasing the damages up to three times the amount found or assessed for

Defendants' willful acts of infringement.

G. Awarding prejudgment interest and costs.

H. Finding this to be an exceptional case and awarding reasonable attorney's fees to

Plaintiff.

I. Such other and further relief as is necessary and appropriate.

JURY DEMAND

Plaintiff hereby demands a trial by jury of all issues triable by jury in this action.

Dated: February 5, 2014

/s/ Terence J. Linn

Terence J. Linn (P-33449)

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