

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

STONERIDGE CONTROL DEVICES,
INC., a Massachusetts Corporation,

Plaintiff,

v.

ZF NORTH AMERICA, INC., a
Delaware Corporation; ZF TRW
AUTOMOTIVE HOLDINGS CORP., a
Delaware corporation; ZF
AUTOMOTIVE US INC., a Delaware
corporation; ZF ACTIVE SAFETY
AND ELECTRONICS US LLC, a
Delaware limited liability company; ZF
RESTRAINTS US INC., a Delaware
corporation; ZF GAINESVILLE LLC, a
Delaware limited liability company, and
ZF FRIEDRICHSHAFEN AG, a
German company,

Defendants.

Case No.

Hon. _____

JURY TRIAL DEMANDED

COMPLAINT AND JURY DEMAND

This is an action for patent infringement in which Plaintiff Stoneridge Control Devices, Inc. (“Stoneridge”) complains against Defendants ZF North America, Inc., ZF TRW Automotive Holdings Corp., ZF Automotive US Inc., ZF Active Safety and Electronics US LLC, ZF Restraints US Inc., ZF Gainesville, LLC, and ZF Friedrichshafen AG (together, “ZF Defendants”) and alleges as follows:

PARTIES

1. Stoneridge is a Massachusetts corporation with a principal place of business at 39675 MacKenzie Drive, Suite 400, Novi, MI 48377.

2. ZF North America, Inc. is a Delaware corporation with a regular and established place of business at 15811 Centennial Drive, Northville, MI 48168.

3. ZF TRW Automotive Holdings Corp. is a Delaware corporation with a regular and established place of business at 12001 Tech Center Drive, Livonia, MI 48150.

4. ZF Automotive US Inc. is a Delaware corporation with a regular and established place of business at 12001 Tech Center Drive, Livonia, MI 48150.

5. ZF Active Safety and Electronics US LLC is a Delaware limited liability company with a regular and established place of business at 12001 Tech Center Drive, Livonia, MI 48150.

6. ZF Restraints US Inc. is a Delaware Corporation with a regular and established place of business at 12001 Tech Center Drive, Livonia, MI 48150.

7. ZF Gainesville, LLC is a Delaware limited liability company with a regular and established place of business at 1261 Palmour Dr., Gainesville, GA, 30501 and another at 15811 Centennial Drive, Northville, MI 48168.

8. ZF Friedrichshafen AG is a German company with a regular and established place of business at Löwentaler Straße 20, ZF Forum, 88046

Friedrichshafen, Germany and another at 24175 Research Drive, Farmington Hills, MI 48331.

JURISDICTION AND VENUE

9. This Court has original subject matter jurisdiction over the claims in this action pursuant to 28 U.S.C. §1331 (federal question) and §1338 (patents).

10. Each of the ZF Defendants is subject to personal jurisdiction in this Court. In particular, this Court has personal jurisdiction over the ZF Defendants because each of them has a regular and established place of business in this judicial district, and engages in continuous, systematic and substantial activities within this judicial district, including manufacturing, marketing, and selling products.

11. Furthermore, this Court has personal jurisdiction over the ZF Defendants in this case because, on information and belief, each of them have committed infringing acts giving rise to Stoneridge's claim for patent infringement within and directed to this judicial district.

12. Venue is proper in this judicial district under 28 U.S.C. §1391(b) and (c) and 28 U.S.C. §1400(b). On information and belief, each of the ZF Defendants has committed acts giving rise to Stoneridge's claim for patent infringement in this judicial district. Each of the ZF Defendants also have a regular and established place of business in this judicial district.

BACKGROUND

13. Stoneridge designs and manufactures a diverse portfolio of electro-mechanical actuation systems for the most demanding automotive, commercial vehicle and off-road environments.

14. Stoneridge is an innovative company that protects its intellectual property rights by, among other things, applying for patents. One of Stoneridge's patents is U.S. Patent No. 7,021,415 ("the '415 Patent," attached as Exhibit 1).

15. Many vehicles include a parking brake. Stoneridge invented a parking brake that has an electronic actuator, meaning the parking brake can be applied and released by an electrical signal rather than through a mechanical connection with the brake caliper. Stoneridge's electronic parking brake (sometimes referred to as an "EPB") is quiet, efficient, reliable, and cost-effective. Stoneridge's inventive electronic parking brake system is described and claimed in the '415 Patent, and shown below in Figure 4 from the '415 Patent:

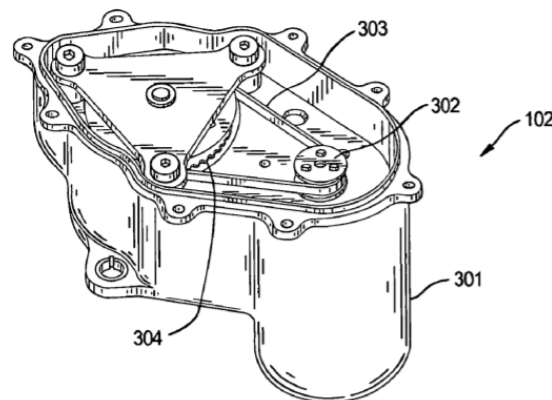


FIG. 4

16. The '415 Patent, which issued to Stoneridge on April 4, 2006, names William Farmer, Gary Kinnear, Thomas P. Schregardus, and Yuly Yanishevsky as the inventors.

17. Stoneridge is the owner by assignment of all right, title and interest in the '415 Patent.

18. The ZF Defendants are suppliers of various components and equipment to automotive original equipment manufacturers ("OEMs"). The ZF Defendants supply, among other things, electronic parking brake components and/or systems for use in vehicles made by a number of OEMs including Ford, Chrysler, General Motors, Honda, and BMW.

19. The ZF Defendants' and OEM electric parking brake components and/or systems infringe the '415 Patent.

20. Specifically, the ZF Defendants sell at least two actuators for electronic parking brakes and/or electronic parking brake systems that include electronic parking actuators that directly infringe the '415 Patent or that directly infringe the '415 Patent when used by OEMs in a vehicle.

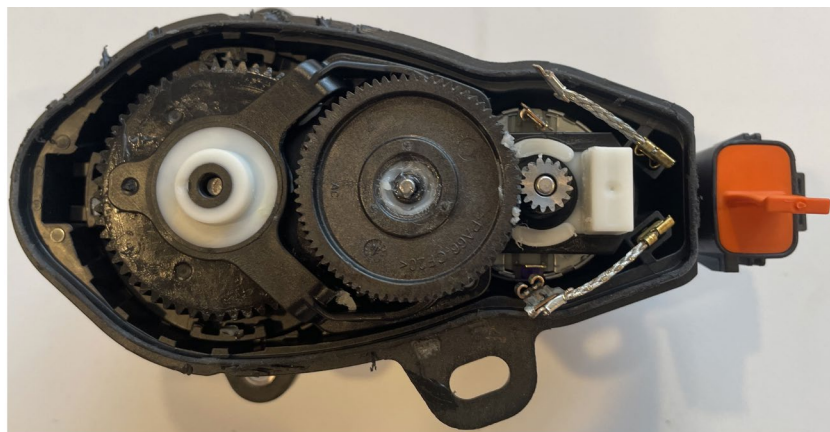
21. ZF Defendants' Accused Actuator #1 and Accused Actuator #2 are shown below. Accused Actuator #1, Accused Actuator #2, and any electronic parking brake systems including those actuators, will be referred to as the "Accused Products" in this Complaint.

22. Accused Actuator #1 and Accused Actuator #2, and possibly other of Defendant's actuators, infringe on their own and when combined with other systems/components in vehicles.

Accused Actuator #1



Accused Actuator #2



COUNT I
(Direct Infringement of the ‘415 Patent by ZF Defendants)

23. Stoneridge incorporates and re-alleges all of the preceding paragraphs as though each were fully set forth herein.

24. The ‘415 Patent remains valid and enforceable.

25. The ZF Defendants are directly infringing and have directly infringed the ‘415 Patent in violation of 35 U.S.C. § 271(a), including, without limitation, by making, using, selling, offering for sale, and/or importing, without license or authority, the Accused Products.

26. The ZF Defendants’ Accused Products fall within the scope of at least claim 16 of the ‘415 Patent. As shown in Exhibit 2, the ZF Defendants directly infringe at least claim 16 of the ‘415 Patent.

27. The ZF Defendants have actual knowledge of the ‘415 Patent and knowledge of their infringement of the ‘415 Patent.

28. As a result of the ZF Defendants’ infringement, Stoneridge has suffered substantial damages.

COUNT II
(Induced Infringement of the ‘415 Patent by the ZF Defendants)

29. Stoneridge incorporates and re-alleges all of the preceding paragraphs as though each were fully set forth herein.

30. The ‘415 Patent remains valid and enforceable.

31. With knowledge of the ‘415 Patent, the ZF Defendants have induced and continue to induce infringement of at least claim 16 of the ‘415 Patent in violation of 35 U.S.C. § 271(b) by offering to sell, selling, and/or importing, without license or authority, the Accused Products for use by at least ZF Defendants’ customers in an infringing manner as instructed by ZF Defendants. In light of ZF Defendants’ inducement, these customers directly infringe the ‘415 Patent by using the Accused Products in the manner instructed by ZF Defendants, thereby reading on at least claim 16 of the ‘415 Patent.

32. As shown in Exhibit 2, the Accused Products used in accordance with ZF Defendants’ instructions meet each limitation of at least claim 16 of the ‘415 Patent.

33. On information and belief, the ZF Defendants specifically intended their customers to infringe the ‘415 Patent, knowing their customers infringe the ‘415 Patent when using the Accused Products.

34. At the very least, the ZF Defendants were willfully blind to the existence of the ‘415 Patent and/or the fact that its customers’ use of the Accused Products would directly infringe the ‘415 Patent.

35. Despite a high likelihood that its actions would induce its customers’ direct infringement of the ‘415 Patent, the ZF Defendants marketed and sold the Accused Products to their customers and instructed their customers to use the

Accused Products for installation in a vehicle. These customers directly infringe the '415 Patent by using the Accused Products following the instructions provided by the ZF Defendants.

36. The ZF Defendants have actual knowledge of the '415 Patent and knowledge of their infringement of the '415 Patent.

37. The ZF Defendants knew that their customers' actions, when performed, would directly infringe the '415 Patent.

38. The ZF Defendants have knowledge of patents related to parking brakes in general and are aware of the '415 Patent.

39. On information and belief, the ZF Defendants have not made any changes to the Accused Products despite their knowledge of the '415 Patent.

40. On information and belief, the ZF Defendants have not made any changes to any of its instructional product literature for the Accused Products despite their knowledge of the '415 Patent.

41. At the very least, on information and belief, based on the ZF Defendants' knowledge of Stoneridge's patent portfolio in general, and the ZF Defendants' use of instructional literature and/or information that promotes direct infringement by its customers, the ZF Defendants believed that there was a high probability that their acts, if taken, would result in direct infringement of the '415 Patent by its customers, yet deliberately avoided confirming that belief.

42. At the very least, the ZF Defendants willfully blinded themselves to the existence of the '415 Patent and therefore willfully blinded themselves to their customers' direct infringement of the '415 Patent resulting from the customers' use of the Accused Products.

43. As a result of the ZF Defendants' inducement of infringement, Stoneridge has suffered substantial damages.

COUNT III
(The ZF Defendants' Contributory Infringement of the '415 Patent)

44. Stoneridge incorporates and re-alleges all of the preceding paragraphs as though each were fully set forth herein.

45. The '415 Patent remains valid and enforceable.

46. With knowledge of the '415 Patent, the ZF Defendants have contributed and continue to contribute, without license or authority, to the infringement of at least claim 16 of the '415 Patent under 35 U.S.C. § 271(c) by selling, offering to sell, and/or importing the Accused Products for use by its customers. These customers directly infringe the '415 Patent by using the Accused Products in vehicles according to the ZF Defendants' instructions and marketing thereby reading on at least claim 16 of the '415 Patent.

47. As shown in Exhibit 2, the Accused Products used in accordance with ZF Defendants' instructions meet each limitation of at least claim 16 of the '415 Patent.

48. The ZF Defendants have actual knowledge of the '415 Patent and knowledge of their infringement of the '415 Patent.

49. The ZF Defendants specifically intended their customers to infringe the '415 Patent, knowing that when their customers use the Accused Products they infringe the '415 Patent.

50. At the very least, the ZF Defendants were willfully blind to the existence of the '415 Patent and/or the fact that their customers' use of the Accused Products would directly infringe the '415 Patent. Despite a high likelihood that their actions would contribute to their customers' direct infringement of the '415 Patent, the ZF Defendants marketed and sold the Accused Products to customers for use in vehicles. The ZF Defendants' customers directly infringe the '415 Patent by using the Accused Products following the instructions prepared and provided by the ZF Defendants for the Accused Products.

51. The ZF Defendants' Accused Products have no substantial, non-infringing uses for at least the reason that ZF Defendants' Accused Products can only be used to directly infringe the '415 Patent. In other words, when the ZF Defendants' instructions and directions are followed to use its Accused Products, these Accused Products are only used in an infringing manner, and are only advertised by the ZF Defendants for such an infringing use. The ZF Defendants only

promote the Accused Products for use by customers in a manner that infringes the ‘415 Patent.

52. The ZF Defendants’ Accused Products constitute a material part of the invention of the ‘415 Patent for at least the reason that they are each advertised, sold, and/or offered for sale for use to specifically practice the method claimed in at least claim 16 of the ‘415 Patent. The use the ZF Defendants promote through its instructional materials require the making and/or use of the Accused Products thereby reading on at least claim 16 of the ‘415 Patent.

53. Moreover, the Accused Products are or include actuators for electronic brake systems, which is the primary inventive aspect of the ‘415 Patent.

54. The ZF Defendants knew and/or know that its Accused Products are especially made or especially adapted for use in an infringement of at least claim 16 of the ‘415 Patent for at least the reason that the publicly available literature and information the ZF Defendants provide, endorse, and promote for using and/or making its Accused Products only promotes making and/or using the Accused Products in a manner reading on at least claim 16 of the ‘415 Patent.

55. The ZF Defendants knew that their customers’ actions, when performed, would directly infringe the ‘415 Patent. At the very least, based on the ZF Defendants’ knowledge of Stoneridge’s patent portfolio in general, the ZF Defendants’ knowledge that Stoneridge is a competitor, and the ZF Defendants’ use

of instructional literature and/or information that promotes direct infringement by its customers, the ZF Defendants believed that there was a high probability that their customers' acts, if taken, would result in direct infringement of the '415 Patent by its customers, yet deliberately avoided confirming that belief.

56. At the very least, the ZF Defendants willfully blinded themselves to the existence of the '415 Patent, and therefore willfully blinded themselves to their customers' direct infringement of the '415 Patent resulting from the customers' use of the Accused Products.

57. The ZF Defendants have knowledge of patents related to parking brakes in general and are aware of the '415 Patent.

58. On information and belief, the ZF Defendants have not made any changes to the Accused Products despite their knowledge of the '415 Patent.

59. On information and belief, the ZF Defendants have not made any changes to any of its instructional product literature for the Accused Products despite their knowledge of the '415 Patent.

60. As a result of the ZF Defendants' contributory infringement, Stoneridge has suffered substantial damages.

PRAYER FOR RELIEF

WHEREFORE, Stoneridge requests judgment in its favor against the ZF Defendants for the following relief:

- A. An Order adjudging that the ZF Defendants have directly infringed the '415 Patent, induced the infringement of the '415 Patent, and/or contributed to the infringement of the '415 Patent pursuant to 35 U.S.C. §271(a), (b) and/or (c);
- B. An award of damages adequate to compensate Stoneridge for the ZF Defendants' infringement including but not limited to lost profits and/or a reasonable royalty;
- C. An Order adjudging that this is an exceptional case;
- D. An award to Stoneridge of its attorney fees and its costs and expenses incurred in connection with this action pursuant to 35 U.S.C. §285;
- E. An award of prejudgment and post-judgment interest and costs of this action; and
- F. Such other and further relief that this Court deems just and proper.

JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), Stoneridge demands a trial by jury on all issues so triable.

Respectfully submitted,

CARLSON, GASKEY & OLDS, PLLC

Dated: February 11, 2022

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