

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

XMARK CORP.,

Plaintiff,

v.

OMNIDOTS B.V., and OMNIDOTS NORTH
AMERICA INC.,

Defendants.

Civil Action No.:

Jury Trial Demanded

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Xmark Corp. (hereinafter “Plaintiff” or “Xmark”), a Canadian corporation, by and through its attorneys, for its Complaint against defendants Omnidots B.V. and Omnidots North America Inc. (hereinafter collectively “Defendants” or “Omnidots”), hereby alleges as follows:

NATURE OF THE CASE

1. This is a civil action for patent infringement arising under the Patent Act of the United States, 35 U.S.C. § 1, *et seq.*
2. This action arises out of Omnidots’ infringement of Xmark’s United States Patent No. 10,794,929 (attached as Exhibit A) (the “929 Patent,” “Asserted Patent” or the “Patent-in-Suit”).

THE PARTIES

3. Xmark is a Canadian corporation having a principal place of business at 309 Legget Drive, Ottawa, Ontario, K2K 3A3, Canada.
4. Xmark does business under the name “InstanTel,” and has an Office at 808 Commerce Park Drive, Ogdensburg, New York, 13669, United States of America.

5. Upon information and belief, Defendant Omnidots B.V. is a private limited company organized under the laws of the Netherlands, with its principal place of business located at Potklei 5, 9351 VS Leek, Netherlands.

6. Upon information and belief, Defendant Omnidots North America Inc. (“Omnidots N.A.”) is a Delaware corporation, with its principal place of business at 228 East 45th Street, Suite 9E, New York, New York, 10017.

7. Upon information and belief, Omnidots N.A. is registered to do business in the state of New York and its registered agent is TABS INC., with an address at 228 E 45TH ST. Suite. 9E, New York, NY, 10017.

8. Upon information and belief, Omnidots N.A. is a wholly owned subsidiary of Omnidots B.V.

9. Omnidots B.V. advertises its products and services via its website, www.omnidots.com, which lists Omnidots N.A. and its address at 228 East 45th Street, Suite 9E, New York, New York, 10017, as its place of business in the United States.

10. Upon information and belief, Omnidots N.A. is the North American sales and distribution department of Omnidots B.V., and serves the purpose of selling and marketing the environmental monitoring products and services provided by Omnidots B.V. to customers in North America and in this District.

11. Omnidots, individually and collectively, make, sell, offer for sale in the United States, and import into the United States, including in this District, monitoring solutions for the construction and infrastructure industry, including vibration monitoring sensor systems that infringe the ‘929 Patent.

JURISDICTION

12. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a) because this action arises under the patent laws of the United States, including 35 U.S.C. § 271, *et seq.*

13. This Court has personal jurisdiction over Defendant Omnidots N.A. because Omnidots N.A. is doing business in the State of New York and has (1) substantial, continuous, and systematic contacts within the Southern District of New York (“this District”), (2) maintains a principal place of business within this District, and (3) enjoys substantial income from sales of infringing products within this District in violation of 35 U.S.C. § 271.

14. This Court has personal jurisdiction over Omnidots B.V., a foreign corporation, because, upon information and belief, Omnidots N.A. is a subsidiary of Omnidots B.V. and is either an agent or a mere department of Omnidots B.V. Specifically, upon information and belief, Omnidots B.V. has affiliated itself with Omnidots N.A., a New York representative entity, which renders services on behalf of Omnidots B.V. that go beyond mere solicitation and are sufficiently important to Omnidots B.V. that Omnidots B.V. itself would perform equivalent services if no North American representative were available

VENUE

15. Venue in this Court is proper under 28 U.S.C. § 1400(b) and 28 U.S.C.A. § 1391(c)(3).

16. Venue in this Court is proper as to Omnidots B.V. under 28 U.S.C. § 1391(c)(3), which provides that a defendant not resident in the United States may be sued in any judicial district.

17. Venue in this Court is proper as to Omnidots N.A. under 28 U.S.C. § 1400(b). Specifically, upon information and belief, Omnidots N.A. maintains regular and established business in this District and has offered for sale and sold products that infringe the '929 Patent to customers within this District.

PLAINTIFF'S BUSINESS AND U.S. PATENT NO. 10,794,929

18. Xmark, doing business under the name InstanTEL, has for over 35 years, been a global leader providing best-in-class vibration, noise and air overpressure monitoring equipment for use in quarries, mining, construction, civil, geotechnical and other applications. Xmark's products are utilized around the world in customers' projects in over 120 countries. From specialized sensors and recording systems, to remote data collection, monitoring software, and a cloud-based data hosting solution, Xmark has a history of innovation and industry firsts.

19. Xmark owns by assignment all right, title and interest in U.S. Pat. 10,794,929, titled "System for Vibration Sensing," and holds the right to sue and recover damages for infringement thereof, including for past infringement. The '929 Patent duly and lawfully issued on October 6, 2020, with Robert C. Turnbull, Terance D. Brown and Damon Kuttan listed as the inventors. The '929 Patent issued from U.S. Application Serial No. 16/067,333, which was filed on June 29, 2018 and claims priority to a PCT Patent Application No. PCT/US2016/040305, filed on June 30, 2016, which claims the benefit of priority to U.S. Provisional Patent Application No. 62/310,260, filed on March 18, 2016.

20. The '929 Patent is directed to a vibration sensor for construction and industrial projects comprising, *inter alia*, a plurality of accelerometers, including a low acceleration range accelerometer for measuring acceleration data below a threshold, and a high acceleration range accelerometer for measuring acceleration data above a threshold.

21. In particular, claim 1 of the ‘929 Patent claims a “vibration sensor system for construction and industrial projects, comprising: a water-proof housing; a low acceleration range accelerometer disposed in the housing for measuring acceleration data below a first threshold; a high acceleration range accelerometer disposed in the housing for measuring acceleration data above a second threshold; and an analog-to-digital conversion circuit connected to the low and high acceleration range accelerometers, wherein the analog-to-digital conversion circuit provides acceleration data along x-, y- and z-axes; and a data processing circuit receiving the acceleration data from the analog-to-digital conversion circuit, wherein the data processing circuit determines the directional orientation of the vibration sensor assembly, and determines a correction factor to be applied to the acceleration data to compensate for the directional orientation of the vibration sensor assembly.” Exhibit A, ‘929 Patent at 4:48-67.

22. The patent marking requirements of 35 U.S.C. § 287(a) are inapplicable. Specifically, since the ‘929 Patent granted on October 10, 2020, Xmark has not offered for sale or sold any products embodying an invention covered by the ‘929 Patent and has not granted any third-party a license under the ‘929 Patent to make or sell a product covered by the ‘929 Patent.

23. Xmark has otherwise complied with any applicable patent marking requirements of 35 U.S.C. § 287(a).

OMNIDOTS’ INFRINGING ACTIVITY

24. Omnidots compete with Xmark in the construction and infrastructure monitoring market, more specifically in the field of vibration monitoring systems and services.

25. Upon information and belief, Omnidots market to customers in the United States and worldwide, vibration monitoring sensors, air quality monitoring sensors and a remote sensor data monitoring platform.

26. Omnidots make, use, sell or offer for sale, and import into the United States a vibration sensor system product referred to as the SWARM vibration monitor.

27. Upon information and belief, the SWARM vibration monitor is used to collect vibration measurements at construction and infrastructure sites and send the measurement data wirelessly to Omnidots' "Honeycomb" web platform.

28. Upon information and belief, through the Honeycomb platform, which Omnidots make available to customers for a subscription fee, Omnidots' customers can use the SWARM vibration monitor by, among other things, configuring it and monitoring the data it collects. A quick-start guide to using the SWARM vibration monitor that Omnidots provide to their customers is attached hereto as Exhibit B. (<https://25283487.fs1.hubspotusercontent-eu1.net/hubfs/25283487/QSG/Omnidots-Quick-Start-Guide.pdf>) (last visited December 21, 2023).

29. Upon information and belief, the models of the SWARM vibration monitor that are used, sold or offered for sale by Omnidots in the United States and in this District include the models designated SWARM V2.2b, SWARM V2.2c, SWARM V2.2cw. Technical specifications for the SWARM V2.2cw model is attached hereto as Exhibit C (https://25283487.fs1.hubspotusercontent-eu1.net/hubfs/25283487/Spec%20Sheets/technical-specifications-SWARM-V2_2cw-en.pdf) (last visited December 21, 2023).

30. The SWARM vibration monitor, including at least the SWARM V2.2cw model, (the "Accused Product") infringes one or more claims of the '929 Patent, including at least claims 1, 6-8 and 15-17.

31. The Accused Product meets each and every limitation of at least claims 1 and 8 of the '929 Patent as shown in the chart comparing claims 1 and 8 to the SWARM V2.2cw Accused Product, which is representative of the Accused Products, attached hereto as Exhibit D.

32. Upon information and belief, Omnidots, individually and collectively, have and continue to infringe the '929 Patent by at least using, selling and offering for sale the Accused Product in the United States and importing the Accused Product into the United States. Specifically, upon information and belief, Omnidots market the Accused Product to customers in the United States by, *inter alia*, selling or offering to sell the Accused Product to customers, providing subscription-based products and services to customers, facilitating their ongoing use of the Accused Product, and providing support services for the Accused Product to customers.

33. Upon information and belief, Omnidots sold the Accused Product to at least one customer located in this District.

34. In that the Accused Product meets the limitations of one or more claims of the '929 Patent either literally or under the doctrine of equivalents, including at least claim 1, the use of the Accused Product by Omnidots' customers to monitor vibration in construction projects or infrastructure constitutes an infringing use of a device covered by the '929 Patent.

35. In connection with the sale of the Accused Products to customers, Omnidots provide customers with detailed instructions, tools and assistance for installing the Accused Product and using the Accused Product. For example, the quick-start guide attached as Exhibit B provides customers with instructions for installation, set-up and use of the Accused Product along with Omnidots' subscription-based Honeycomb monitoring platform.

36. On information and belief, Omnidots is and is continuing to induce infringement of the '929 Patent by actively and knowingly inducing others to use, sell, offer for sale, or import the

Accused Product that infringes one or more claims of the '929 Patent. Specifically, Omnidots have: sold, continue to sell, and presently intend to sell, the Accused Product to customers in the United States; have provided, continue to provide, and presently intend to provide those customers with detailed instructions, tools and assistance for selling and/or using the Accused Product; and, as of at least the filing date of this complaint, such acts are performed by Omnidots with knowledge that the use of the Accused Product by Omnidots' customers infringes the '929 Patent and with the specific intent that Omnidots' customers engage in such infringing activity.

COUNT ONE

(Infringement of the '929 Patent, 35 U.S.C. §271)

37. Plaintiff Xmark repeats and realleges as if fully set forth herein the allegations contained in all the preceding paragraphs ¶¶ 1-36.

38. The '929 Patent is valid and enforceable.

39. The Accused Product meets the limitations of one or more claims of the '929 Patent either literally or under the doctrine of equivalents, including at least claims 1, 6-8 and 15-17.

40. Omnidots, either individually or collectively, have directly infringed and continue to directly infringe one or more claims of the '929 Patent in violation of 35 U.S.C. § 271(a) by manufacturing, using, providing, selling, offering to sell, importing and/or distributing without authority the Accused Product in the United States and in this District.

41. Omnidots, either individually or collectively, indirectly infringe and continue to indirectly infringe one or more claims of the '929 Patent, including at least claims 1, 6-8 and 15-17 in violation of 35 U.S.C. § 271(b), by knowingly inducing one or more of Omnidots' customers to purchase, install, use and/or sell the Accused Product that embodies the '929 Patent with the specific intent that Omnidots' customers engage in such infringing activity.

42. As outlined above, under the totality of the circumstances, Omnidots' infringement of the '929 Patent is willful from at least the date that Omnidots first learned of the '929 Patent.

43. In any event, Omnidots had knowledge of the '929 Patent, Omnidots' infringement of the '929 Patent, and the infringement of the '929 Patent by Omnidots' customers, at the latest as of the filing date of this complaint.

44. On information and belief, Omnidots has gained profits and market share by virtue of its infringement of the '929 Patent.

45. Xmark has sustained damages as a direct and proximate result of Omnidots' infringement of the '929 Patent.

46. Xmark is entitled to recover at least a reasonable royalty, and its lost profits, enhanced damages, costs and expenses and attorney fees, and all other relief allowed under the Patent Act.

47. Xmark will suffer and is suffering irreparable harm from Omnidots' infringement of the '929 Patent. Xmark has no adequate remedy at law and is entitled to an injunction against Omnidots' continuing infringement of the '929 Patent. Unless enjoined, preliminarily and permanently, Omnidots will continue its infringing conduct.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Xmark respectfully requests that the Court grant the following relief:

- a. A judgment that Defendant Omnidots has infringed one or more claims of the '929 Patent;
- b. A judgment that Defendant Omnidots' infringement of the '929 Patent was willful;

- c. An order preliminarily and permanently enjoining Omnidots, its owners, subsidiaries, divisions, branches, affiliates, predecessors or successors in business, parents and wholly owned or partially owned entities, and any entities acting or purporting to act for or on behalf of the foregoing, including any agents, employees, representatives, officers, directors, servants, partners, and those persons in active concert or participation with them, from further acts of infringement of Xmark's asserted '929 Patent;
- d. An award of damages to compensate Xmark for Omnidots' infringement under 35 U.S.C. § 284;
- e. An Order awarding Xmark at least a reasonable royalty;
- f. An award of all damages, including treble damages based on any infringement found to be willful, pursuant to 35 U.S.C. § 284;
- g. An Order awarding Xmark pre-judgment and post-judgment interest on all applicable damages at the maximum rates permitted by applicable law;
- h. An accounting for all damages not presented at trial;
- i. An Order declaring this case exceptional and awarding Xmark its reasonable attorney fees pursuant to 35 U.S.C. § 285; and
- j. Such other and further relief as the Court deems just and proper.

JURY DEMAND

Xmark demands a trial by jury on all issues so triable.

Dated: January 8, 2024

Respectfully submitted,



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