

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

FUEL TECH, INC.,	§
	§
Plaintiff,	§
	§
v.	§ CIVIL ACTION NO. 3:10-CV-1953
	§
PANASIA CO., LTD.,	§
	§
Defendant.	§ JURY TRIAL DEMANDED
	§
	§

ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Fuel Tech, Inc. (“Fuel Tech”) for its Complaint against Defendant Panasia Co., Ltd. (“Panasia”) alleges the following:

NATURE OF THE ACTION

1. This is an action for patent infringement arising under the Patent Laws of the United States, Title 35 of the United States Code. The patent in suit, United States Patent 7,090,810 (“the ‘810 patent”), is owned by Fuel Tech. Fuel Tech seeks monetary damages for Panasia’s infringement of the patent in suit and an injunction restraining Panasia from further infringement.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).

3. This Court has personal jurisdiction over Panasia, directly or through its agents, as Panasia has committed complained of acts of patent infringement in this district and the State of Texas. Upon information and belief, Panasia otherwise conducts business in this district and the

State of Texas, directly or through its agents.

4. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1391(c), 1391(d), and 1400(b).

THE PARTIES

5. Plaintiff Fuel Tech is a Delaware corporation having its principal place of business at 27601 Bella Vista Parkway, Warrenville, Illinois 60555.

6. Defendant Panasia is a Korean corporation having its principal place of business at #1559-3, Songiung-Dong, Gangseo-Go, Busan, Korea.

BACKGROUND

7. Fuel Tech is a leading technology company which offers systems directed to combustion improvement and pollution reduction for large-scale furnaces and boilers, such as operated by utilities. Fuel Tech's air pollution control systems are installed worldwide on over 500 large-scale combustion units. In particular, Fuel Tech markets under the trade name NOxOUT ULTRA an urea-to-ammonia conversion process to provide gaseous reagents for use in selective catalytic reduction processes which reduce the NOx content in combustion gases.

8. Fuel Tech is the owner, by assignment, of the '810 patent, and has the sole and exclusive right to enforce the patent, including the right to recover damages for past infringement.

9. The '810 patent is entitled "Selective Catalytic Reduction Of NOx Enabled by Sidestream Urea Decomposition." The '810 patent was issued August 15, 2006, by the United States Patent and Trademark Office.

10. Fuel Tech's NO_xOUT ULTRA process is protected by the '810 patent. In this regard, Fuel Tech's '810 patent discloses and claims a process for reducing the NO_x content in combustion gases expelled from a large-scale stationary combustor including the steps of introducing an aqueous solution of urea into a flowing stream of heated air under conditions effective without the use of a catalyst to decompose the urea into reagent gases, including ammonia, mixing that stream with the combustion gases, and then feeding the combined gas stream through a catalyst to reduce NO_x to nitrogen, carbon dioxide, and water.

11. Panasia is a Korea-based export-oriented company which produces air pollution control systems under the trade name PaNO_x, including urea-to-ammonia conversion systems for use in selective catalytic reduction processes which reduce the NO_x content in combustion gases from large-scale combustors. In particular, Panasia markets at least one urea-to-ammonia conversion system (hereinafter referred to as the "Hot Air Decomp System") that utilizes a hot air decomposition unit in which aqueous urea is introduced into a heated air stream such that, without a catalyst, the urea decomposes into reagent gases, including ammonia, whereupon that stream is mixed with the combustion gases and then the combined stream is fed through a NO_x-reducing catalyst.

12. Upon information and belief, in 2008, Panasia sold or caused to be sold its Hot Air Decomp System, including its hot air decomposition unit, to the HELCO plant in Hawaii. Upon information and belief, Panasia installed, instructed, and/or trained HELCO on operation of the Hot Air Decomp System. HELCO has been operating the Hot Air Decomp System since that time.

13. Upon information and belief, in 2009, Panasia sold or caused to be sold its Hot Air Decomp System or the like, including its hot air decomposition unit, to the UTSW Medical Center power plant in Dallas. Upon information and belief, Panasia installed, instructed, and/or trained UTSW on operation of its Hot Air Decomp System or the like. UTSW has been operating the Hot Air Decomp System or the like since that time.

14. Panasia is importing, selling, or offering to sell its Hot Air Decomp System or the like, directly or through agents, in the United States as a pollution control system for use by power plants or the like having large-scale combustors disposed for expelling noxious gases into the atmosphere. Panasia is involved in installing, instructing, and/or training on operation of its Hot Air Decomp System or the like.

15. Panasia knows and has known of Fuel Tech's '810 patent rights. Upon information and belief, Panasia has known of Fuel Tech's '810 patent rights since on or about December 2007 from either or both of a notice letter sent by Fuel Tech to HELCO and its plant contractor or oral conversations with Fuel Tech sales personnel. Upon information and belief, Panasia has known of Fuel Tech's '810 patent rights since on or about 2008 due to its familiarity with Fuel Tech's Korean patent application counterpart to the '810 patent to which the Korean application cited as the priority filing.

16. Panasia's development of its Hot Air Decomp System or the like was informed by, and the System mimics, Fuel Tech's NOxOUT ULTRA System and/or the '810 patent.

PATENT INFRINGEMENT

17. Practice by users of the Panasia Hot Air Decomp System or the like, such as the

above-noted power plants, directly infringes claims of the '810 patent, including but not limited to claim 1.

18. Panasia has indirectly infringed and is now indirectly infringing such claims of the '810 patent by commercially offering and having commercialized its Hot Air Decomp System or the like. Panasia is and has been knowingly and actively inducing the direct infringement by others and/or contributing to the other's direct infringement. Panasia's inducing infringement is and has been with knowledge of and intent to infringe the '810 patent. Panasia's contributory infringement is and has been based on its offer to sell, sale, and/or import of apparatus, including but not limited to the Panasia hot air decomposition unit, especially made or adapted for use in direct infringement of the '810 patent.

19. Panasia has had actual knowledge of the '810 patent prior to its infringing activities. On information and belief, Panasia's acts of infringement have been willful and deliberate.

20. Unless enjoined, Panasia will continue to indirectly infringe the '810 patent.

21. Fuel Tech has suffered and will continue to suffer substantial damage to its business by reason of Panasia's acts of infringement; and Fuel Tech is entitled to recover from Panasia the damages sustained as a result of its acts pursuant to 35 U.S.C. § 284.

22. By virtue of Defendant's willful and deliberate infringement, this is an "exceptional case" within the meaning of 35 U.S.C. § 285.

JURY DEMAND

Fuel Tech demands a trial by jury on all issues properly so triable.

PRAYER FOR RELIEF

WHEREFORE, Fuel Tech seeks the following relief:

- A. The entry of judgment in favor of Plaintiff and against the Defendant for infringement of the '810 patent;
- B. An award of damages adequate to compensate Plaintiff for the infringement that has occurred, together with prejudgment interest from the date infringement of the patent in suit began, but in no event less than a reasonable royalty pursuant to 35 U.S.C. § 284;
- C. Increased damages as permitted under 35 U.S.C. § 284 to compensate Plaintiff for Defendant's willful infringements of the '810 patent;
- D. A permanent injunction prohibiting the Defendant, its subsidiaries, affiliates, officers, directors, agents, servants, employees, and all persons in active concert or participation with them, from infringing, contributing to the infringement of, and inducing infringement of the '810 patent;
- E. A finding that this case is exceptional and an award to Plaintiff of its attorneys' fees and costs as provided by 35 U.S.C. § 285; and
- F. Such other and further relief as the Court deems just and proper.

DATED: September 29, 2010

Respectfully submitted,

s/ Kelly J. Kubasta

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