Avery Dennison Corporation v. 3M Company et al

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DECLARATION OF MARY JO ABLER

- I, Mary Jo Abler, declare as follows:
- 1. I am a Business Director of the Highway Safety Business Unit in the 3M Traffic Safety Systems ("TSS") Division of 3M Company. I submit this declaration in support of Defendants' Motion to Transfer Pursuant To 28 U.S.C. § 1404(a). I understand this declaration will be used in the above-captioned matter. I have personal knowledge of the matters set forth herein, except where stated otherwise, and if called to testify I could and would competently testify thereto.
- 2. I have been employed full-time by 3M since 1989. I became the Business Director for the Highway Safety Business in 3M's TSS Division in January 2010. I have been in the TSS Division for over 6 years and my most recent prior position was Business Director for the Traffic and Vehicle Systems Business.

3M Company

- 3. Defendant 3M Company is a Delaware corporation with its worldwide headquarters located in St. Paul, Minnesota. Defendant 3M Innovative Properties Company is a wholly owned subsidiary of 3M Company and is also based in St. Paul, Minnesota. I refer to these two entities collectively as "3M."
- 4. 3M is a global, diversified \$25 billion innovation company that has pioneered the technology behind such well-known products as Post-it® Repositionable Notes, Scotch® Tape, Scotch-Brite® cleaning products, and Filtrete® Air Filters. 3M is a technology innovator and a leader in a number of business segments, including retroreflective sheeting. 3M employs approximately 75,000 people worldwide.
- 5. 3M products are sold in a wide variety of trades and in many countries around the world. 3M's products are sold through numerous distribution channels, including directly to users and through wholesalers, retailers, distributors, and dealers throughout the U.S. and in foreign territories.
- 6. 3M is divided into six primary businesses, which 3M calls "Big B's." The Big B's are Industrial and Transportation, Health Care, Consumer and Office,

Safety, Security and Protection Services, Display and Graphics, and Electro and Communications.

3M's Traffic Safety Systems Division And Its Highway Safety Business Unit

- 7. The TSS Division is part of the Display and Graphics Business at 3M. The TSS Division has been a worldwide leader in developing products, systems, and services for the transportation safety, traffic management, and commercial transportation markets for many years. The TSS Division, including my office, is based at 3M's corporate headquarters in St. Paul, Minnesota.
- 8. The TSS Division's product line is sold through numerous distribution channels throughout the United States and in foreign territories, including directly to state and local government agencies and to companies that supply these agencies with traffic-related products, systems, and services. 3M supplies a broad range of products and services to the transportation safety and management industry, including, for example: retroreflective sheeting and other components for signs; roadway maintenance services; work zone reflective sheeting; vehicle emblems and high-visibility markings; reflective pavement markings, including tape, liquid, and raised markers; digital license plate production systems; and vehicle detection technologies.
- 9. The TSS Division is divided into two businesses: (1) the Highway Safety Business ("HSBU") and (2) the Traffic and Vehicle System Business ("T&VS"). The HSBU business makes and sells products and services relating to highway signage and for pavement marking. The T&VS business makes and sells products and services for license plates, annual auto renewal stickers, and software to support department of motor vehicles business operations.

3M's Retroreflective Sheeting Products

10. Over the last 60 years, 3M has been the world leader in advancing retroreflective sheeting technology and often has been the first to commercialize and offer for sale higher performing sheeting.

- applications, including over 180 patents directed to retroreflective sheeting. More specifically, 3M has numerous patents directed to "full cube corner" elements, geometry, or technology for retroreflective sheeting. This technology, first developed by 3M, incorporates cube elements designed to reflect light at a certain level of brightness based on angles and orientation of the geometry.
- 12. Retroreflective sheeting is useful in many applications, including signage (e.g., overhead highway signage, street signage, and street name signage) because it reflects light emitted from a vehicle's headlights off the sign and back towards the driver, making the sign conspicuous and easy to read from a moving vehicle.
- 13. The American Society for Testing and Materials ("ASTM") classifies retroreflective sheeting into various "Types." Currently available types of sheeting include ASTM types I, III, IV, VI, VIII, IX, and XI. A Type XI specification was first approved in the summer of 2009.
- 14. In 2005, 3M released its current top-of-the-line, Diamond Grade™ DG³ Reflective Sheeting product (hereinafter "DG³"), which utilizes full cube corner elements, geometry, or technology. 3M was the first to offer a full cube corner sheeting product. This was the latest in a long line of leading innovations by 3M's TSS Division in the retroreflective sheeting industry. 3M's DG³ sheeting is nearly twice as bright as 3M's next brightest sheeting, which is called Diamond Grade™ VIP Reflective Sheeting. 3M's DG³ sheeting complies with the Type XI specification. For approximately five years, 3M's DG³ product has been the only commercially available full cube corner sheeting.
- 15. Avery Dennison ("Avery") recently introduced its OmniCube™ T-11500 series sheeting earlier this year. Avery asserts that this product, which includes full cube corner elements, geometry, or technology, also meets the Type XI specification. Avery is a direct competitor of 3M in sales of retroreflective sheeting for traffic control, guidance signs, and delineation devices.

- 16. As stated above, 3M's retroreflective sheeting is sold through numerous distribution channels, including directly to state and local government entities and to companies who supply these agencies. TSS Division's ultimate "customers" for retroreflective sheeting are, for the most part, state and local governmental entities around the country. In some instances, these governmental entities contract with prime contractors, who in turn often work through subcontractors and sign fabricators. These contractors and sign fabricators, which purchase retroreflective sheeting from sheeting manufacturers such as 3M and Avery, are also found in numerous cities and states across the country, including Minnesota.
- 17. The TSS Division has spent decades and tens of millions of dollars researching and developing 3M's retroreflective sheeting products and building 3M's reputation and goodwill in the retroreflective sheeting business.
- 18. In the U.S., 3M has approximately 42 sales representatives spread over five regions focused on these efforts. None of the five regional sales heads is located in California. Although some of 3M's sales representatives are assigned to California, the large majority of the sales representatives in the TSS Division are assigned to cover territory outside of California.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this _____ day of December, 2010 in St. Paul, Minnesota.

Mary Jo Abler