## IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

SHOES BY FIREBUG L.L.C.	§	
	§	
Plaintiff,	§	
vs.	§	
	§	Case No.
ACADEMY, LTD.	§	
	§	<b>JURY TRIAL DEMANDED</b>
Defendant.	§	

### **COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Shoes By Firebug L.L.C. ("Firebug") brings this action against defendant Academy, Ltd. ("Academy"), and alleges:

#### NATURE OF THE ACTION

- 1. This is an action for infringement U.S. Patent Nos. 8,327,561 and 9,015,965 ("the patents-in-suit") based upon illuminated rain boots sold by Academy. Academy is a well-known retailer that does business in Houston and throughout the United States as "Academy Sports + Outdoors." This is not the first time Firebug has charged Academy with infringement of the patents-in-suit based on illuminated rain boots that are structurally identical to the illuminated rain boots depicted below that are accused of infringement in this lawsuit.
- 2. The previous dispute was resolved in 2016 under a Patent License Agreement pursuant to which Firebug granted Academy a license under the patents-in-suit to sell off a particular amount of accused illuminated rain boots by an agreed upon date in early 2017.
- 3. However, over two years after Academy had agreed to stop selling the infringing rain boots, Firebug discovered that Academy was again selling infringing rain boots structurally identical

to those that were the subject of the prior Patent License Agreement. Not long after that discovery, toward the end of 2019, Firebug's counsel sent Academy a letter giving notice of Academy's willful infringement. Instead of doing the right thing by pulling the infringing rain boots and paying Firebug for this infringement, Academy decided to keep selling the infringing rain boots and thus far has refused to compensate Firebug for Academy's acts of willful patent infringement. It would be difficult to imagine a more egregious case of willful and wanton patent infringement than the deliberate and intentional manner in which Academy has behaved here in total disregard for Firebug's patent rights.

#### THE PARTIES

- **4.** Firebug is a limited liability company organized and existing under the laws of the State of Texas, with an address within this district at 111 Mayfair Ct., Sugar Land, Texas 77478.
- 5. On information and belief, Academy is a limited partnership organized and existing under the laws of the State of Texas, with its principal place of business within this district at 1800 North Mason Road, Katy, Texas 77449. Academy has designated its registered agent for purposes of service of process in Texas as Delilah Banks at 1800 North Mason Road, Katy, Texas 77449. Academy is doing business and has engaged in acts of alleged patent infringement within this judicial district.

#### **JURISDICTION AND VENUE**

- 6. This is an action for patent infringement arising under the provisions of the Patent Laws of the United States of America, Title 35, United States Code.
- 7. Subject-matter jurisdiction over Firebug's claims is conferred upon this Court by 28 U.S.C. §§ 1331 and 1338(a).

- **8.** On information and belief, Academy has solicited business in the State of Texas and this district, transacted business within the State of Texas and this district, and attempted to derive financial benefit from residents of the State of Texas and this district, including benefits directly related to the instant patent infringement causes of action set forth herein.
- 9. On information and belief, Academy has placed its allegedly infringing rain boots into the stream of commerce throughout the United States with the expectation that such products would be sold to and used by consumers in this judicial district.
- 10. Upon information and belief, Academy conducts business in this district, the claims alleged herein have arisen in this district, and alleged acts of infringement have taken place and are continuing to take place in this district.
- 11. Upon information and belief, Academy is subject to this Court's general and specific personal jurisdiction for any one of the following reasons: Academy's principal place of business and corporate headquarters is within this district, Academy has sufficient minimum contacts within the State of Texas and this district, pursuant to due process and/or the State of Texas Long Arm Statute, because Academy purposefully availed itself of the privileges of conducting business in the State of Texas and in this district, because Academy regularly conducts and solicits business within the State of Texas and within this district, because the causes of action against Academy arise directly from Academy's business contacts and other activities in the State of Texas and this district, and this Court has personal jurisdiction over Academy because it has purposely availed itself of the privileges and benefits of the laws of the State of Texas.
- 12. Venue is proper in this judicial district under 28 U.S.C. § 1400(b). Academy has a regular and established place of business in this district and has committed acts of infringement in this district at least by selling and/or offering to sell the alleged infringing rain boots in this district

#### BACKGROUND

- 13. Firebug is in the business of designing and commercializing footwear, including footwear that embodies light technologies.
- 14. Firebug's president, Roy Robert Smith III (Trae), has 40 years of experience in the footwear industry and filed his first patent involving footwear with light technology in 2009. Since 2009 Smith has been granted and or allowed nine utility patents, all of which involve footwear with light technologies. Smith continues to make advancements in the art and continues to file additional patent applications.
- 15. This is not the first dispute between the Firebug and Academy involving the patents-in-suit. Academy is very well aware of Firebug's patent rights, including being aware of and knowledgeable of the patents-in-suit, and of Firebug's belief that the accused rain boots infringe the patents-in-suit.
- 16. Firebug, by and through its licensee(s), offered to sell to Academy Firebug's rain boots covered by the patents-in-suit for both the spring and fall seasons for the years 2013, 2014 and 2015. However, Academy at all times declined to purchase Firebug's patented rain boots.
- 17. Rather than buying rain boots from Firebug under license, Academy began importing, offering for sale, and selling knock-off footwear that infringed the patents-in-suit.
- 18. Thereafter, on January 29, 2016, Firebug asserted these exact same patents-in-suit against Academy for the importing, offering for sale, and selling of the knock-off infringing footwear.
- 19. On November 8, 2016, that previous dispute was resolved by the parties, with Academy accepting a Patent License and paying Firebug a licensing fee. Thus, clearly, Academy is

and has been well aware of the patents-in-suit, and has been on notice that rain boots having the structure of the rain boots accused herein infringed the patents-in-suit since early 2016.

#### **CURRENT DISPUTE BETWEEN THE PARTIES**

- **20.** On September 19, 2019, Firebug discovered what it believed was an infringing product being imported, offered for sale, and sold, by Academy, specifically the Austin Trading Company, Style Number 160729, the Accused Product, as illustrated below.
- 21. By Certified Letter dated December 11, 2019, Firebug by and through its legal counsel, Gilbreth Roebuck, P.C., notified Academy that its rain boots were infringing the patents-insuit. As of the filing of this Complaint, Academy continues to offer to sell its rain boots alleged to infringe the patents-in-suit.

# COUNT I PATENT INFRINGEMENT U.S. PATENT NO. 8,327,561

- **22.** Firebug repeats and realleges the allegations of the preceding paragraphs, as if fully set forth herein.
- 23. On December 11, 2012, U.S. Patent No. 8,327,561 ("the '561 patent"), entitled "Footwear For Refracting Light From An Internal Source" and naming Roy Robert Smith, III as inventor, a true and correct copy of which is attached hereto as Exhibit A, was duly and legally issued by the United States Patent and Trademark Office. Firebug is the owner of all rights, title and interest in and to the '561 patent, including the right to sue for and recover all past, present and future damages for infringement of the '561 patent.
- **24.** The '561 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.

- **25.** Firebug has, at all relevant times, complied with the marking provisions of 35 U.S.C. § 287 regarding the '561 patent.
- 26. Upon information and belief, Academy has in the past and continues to directly and/or indirectly infringe the '561 patent in this judicial district and elsewhere throughout the United States without the consent or authorization of Firebug by making, using, selling, offering to sell and/or importing into the United States, and/or causing others to use, sell, offer to sell, and/or import footwear products that are covered by at least claim 1 of the '561 patent, including but not limited to Academy's product known as Austin Trading Company, Style Number 160729, and any other similar products, hereinafter referred to as "Accused Products". Academy is liable for infringement of the '561 patent pursuant to 35 U.S.C. § 271.
- 27. The Accused Products are footwear for refracting light from an internal source comprising a translucent component. By way of example only, the Accused Product depicted below is a footwear for refracting light from an internal source further comprising a translucent component.



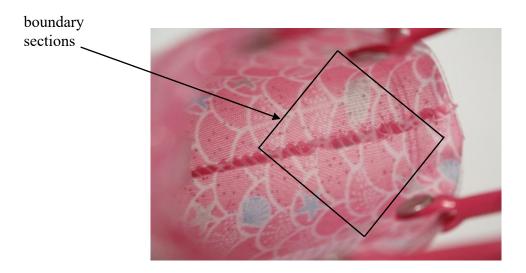
**28.** The Accused Products further comprise a shoe base. By way of example only, the Accused Product depicted below further comprises a shoe base.



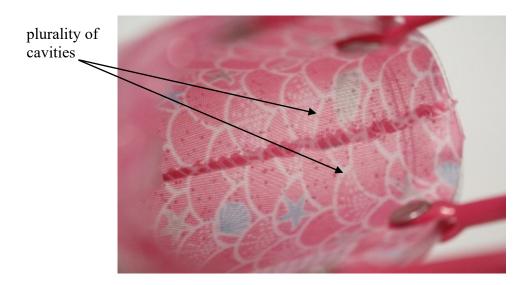
**29.** The Accused Products further comprise an insole. By way of example only, the Accused Product depicted below comprises an insole.



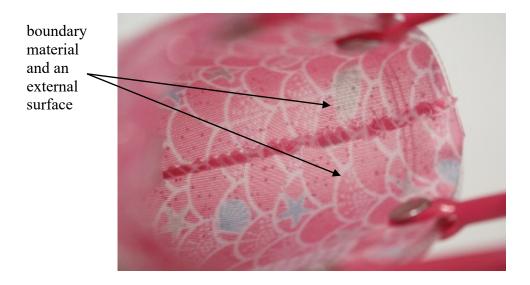
**30.** The Accused Products further comprise a plurality of refractive boundary sections. By way of example only, the Accused Product depicted below comprises a plurality of refractive boundary sections.



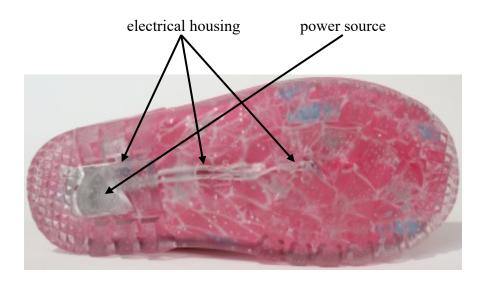
**31.** The Accused Products further comprise a plurality of cavities. By way of example only, the Accused Product depicted below comprises a plurality of cavities.



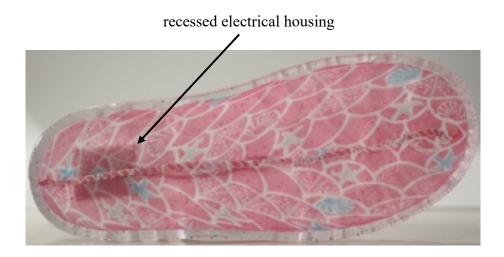
**32.** The Accused Products further comprise a boundary material and an external surface. By way of example only, the Accused Product depicted below comprises a boundary material and an external surface.



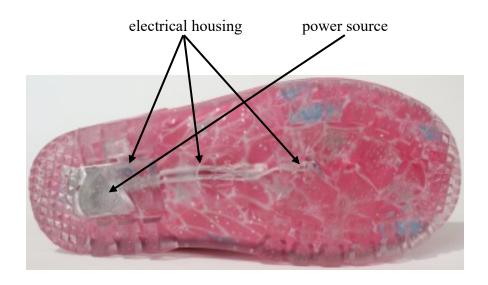
33. The Accused Products further comprise an electrical housing and a power source. By way of example only, the Accused Product depicted below comprises an electrical housing and a power source



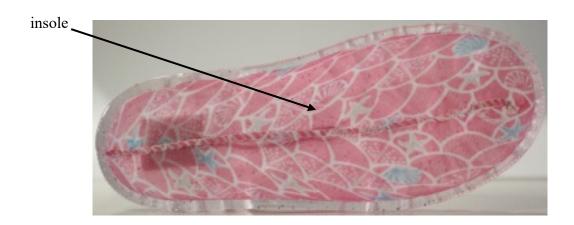
34. The Accused Products further comprise an electrical housing being recessed into the shoe base. By way of example only, the Accused Product depicted below comprises an electrical housing being recessed into the shoe base.



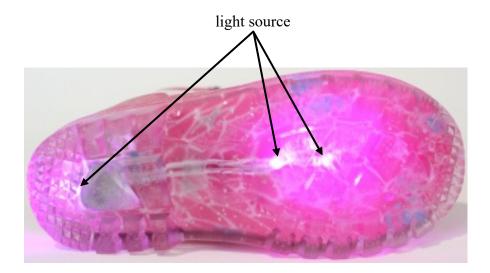
35. The Accused Products further comprise the power source being positioned in the electrical housing. By way of example only, the Accused Product depicted below comprises the power source being positioned in the electrical housing.



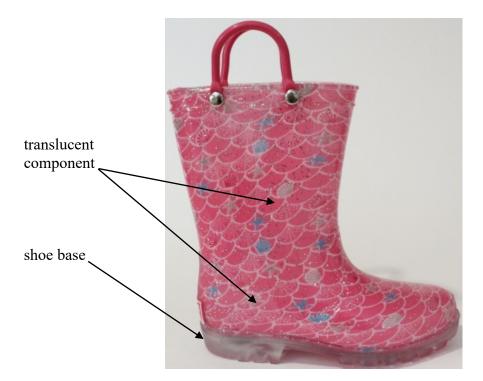
36. The Accused Products further comprise the insole being attached to the shoe base, wherein the insole covers the shoe base and the electrical housing. By way of example only, the Accused Product depicted below comprises the insole being attached to the shoe base, wherein the insole covers the shoe base and the electrical housing.



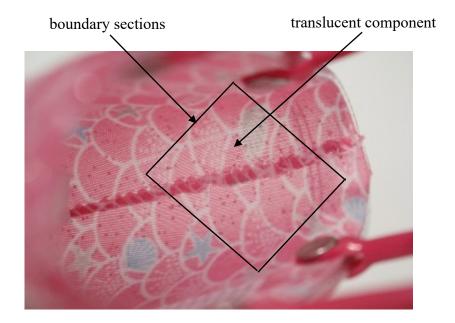
37. The Accused Products further comprise at least one light source. By way of example only, the Accused Product depicted below comprises at least one light source.



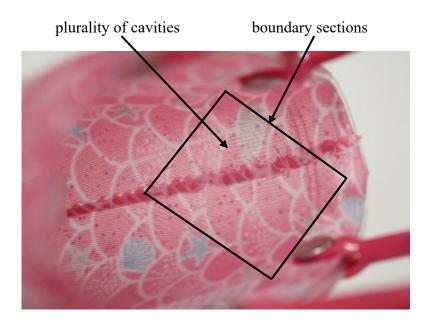
38. The Accused Products further comprise a translucent component being connected to the shoe base. By way of example only, the Accused Product depicted below comprises the translucent component being connected to the shoe base.



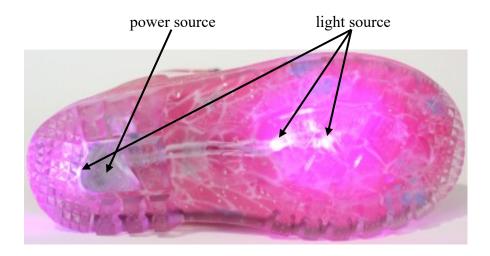
39. The Accused Products further comprise a plurality of refractive boundary sections being positioned along the translucent component. By way of example only, the Accused Product depicted below comprises the plurality of refractive boundary sections being positioned along the translucent component.



40. The Accused Products further comprise a plurality of cavities traversing into the translucent component at the plurality of refractive boundary sections. By way of example only, the Accused Product depicted below comprises a plurality of cavities traversing into the translucent component at the plurality of refractive boundary sections.



41. The Accused Products further comprise a light source being connected to the power source; and the light source being connected to the translucent component. By way of example only, the Accused Product depicted below comprises a light source being connected to the power source; and the light source being connected to the translucent component.





- 42. Academy has had knowledge of Firebug's '561 patent and product embodying the '561 patent dating back to the first patent dispute between Firebug and Academy since at least as early as January 2016, when Firebug notified Academy of its infringement of Firebug's '561 patent. The parties ultimately settled that dispute in November 2016, with Academy accepting a Patent License from Firebug and paying Firebug a licensing fee, with the license grant expiring in January 2017.
- 43. Academy had further knowledge of Firebug's '561 patent and of Academy's infringing conduct at issue herein since at least December 2019, when Firebug by and through its legal counsel Gilbreth Roebuck, P.C. thru certified letter notified Academy of its infringing conduct.
- **44.** Academy's acts of infringement of Firebug's '561 patent have been egregious, willful and/or intentional.
- 45. Firebug has suffered and is suffering damages as a result of Academy's willful and wrongful acts in an amount yet to be determined. Academy is liable to Firebug in an amount that adequately compensates Firebug for Academy's infringement, which by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.
- 46. As a consequence of the infringement complained of herein, Firebug has been irreparably damaged to an extent not yet determined and will continue to be irreparably damaged by such acts in the future unless Academy is enjoined by this Court from committing further acts of infringement.

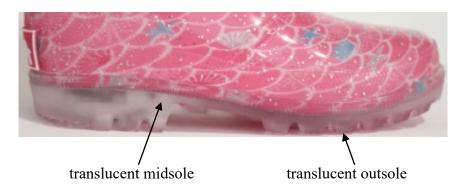
# COUNT II PATENT INFRINGEMENT U.S. PATENT NO. 9,015,965

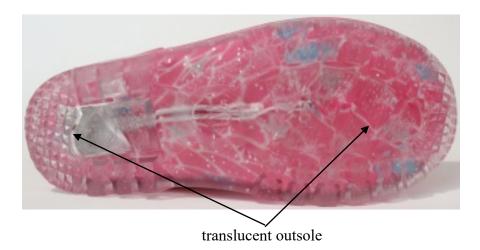
- **47.** Firebug repeats and realleges the allegations of the preceding paragraphs, as if fully set forth herein.
- 48. On April 28, 2015, U.S. Patent No. 9,015,965 ("the '965 patent"), entitled "Internally Illuminated Footwear Component" and naming Roy Robert Smith, III as inventor, a true and correct copy of which is attached hereto as Exhibit B, was duly and legally issued by the United States Patent and Trademark Office. Firebug is the owner of all right, title and interest in and to the '965 patent, including the right to sue for and recover all past, present and future damages for infringement of the '965 patent.
- **49.** The '965 patent is valid, enforceable and was duly issued in full compliance with Title 35 of the United States Code.
- 50. Firebug has, at all relevant times, complied with the marking provisions of 35 U.S.C.§ 287 regarding the '965 patent.
- 51. Upon information and belief, Academy has in the past and continues to directly and/or indirectly infringe the '965 patent in this judicial district and elsewhere throughout the United States without the consent or authorization of Firebug by making, using, selling, offering to sell and/or importing into the United States, and/or causing others to use, sell, offer to sell, and/or import footwear products that are covered by at least claim 1 of the '965 patent, including but not limited to Academy's product known as Austin Trading Company, Style Number 160729, and any other similar products, hereinafter referred to as "Accused Products". Academy is liable for infringement of the '965 patent pursuant to 35 U.S.C. § 271.

**52.** The Accused Products are an internally illuminated footwear component comprising a sole section. By way of example only, the Accused Product depicted below is an internally illuminated footwear component comprising a sole section.

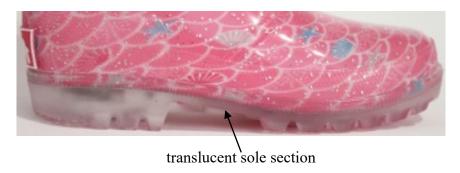


53. The Accused Products further comprise a sole section that comprises a translucent midsole and a translucent outsole. By way of example only, the Accused Product depicted below comprises a sole section that comprises a translucent midsole and a translucent outsole.

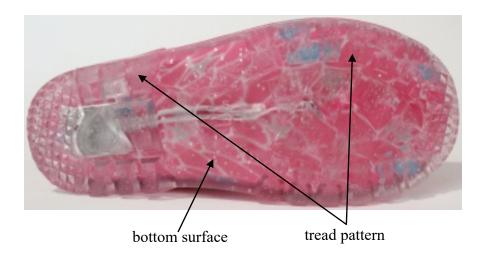




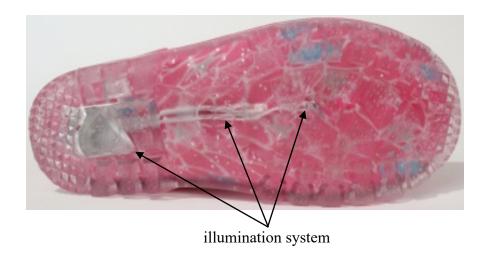
54. The Accused Products further comprise the translucent midsole and the translucent outsole being integrally molded to form a translucent sole section. By way of example only, the Accused Product depicted below comprises the translucent midsole and the translucent outsole being integrally molded to form a translucent sole section.



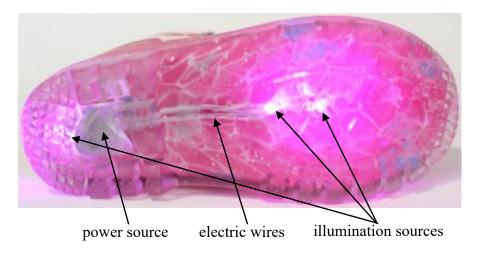
55. The Accused Products further comprise a sole section that comprises a translucent tread pattern along a bottom surface. By way of example only, the Accused Product depicted below comprises a sole section that comprises a translucent tread pattern along a bottom surface.



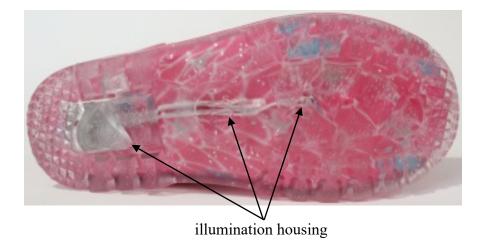
**56.** The Accused Products further comprise an illumination system. By way of example only, the Accused Product depicted below comprises an illumination system.



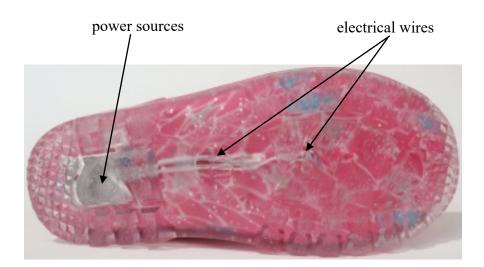
57. The Accused Products further comprise an illumination system that comprises a power source, a plurality of electrical wires, and a plurality of illumination sources. By way of example only, the Accused Product depicted below comprises an illumination system that comprises a power source, a plurality of electrical wires, and a plurality of illumination sources.

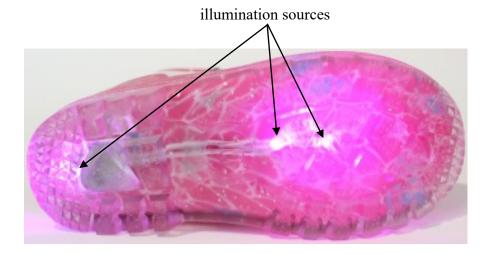


**58.** The Accused Products further comprises an illumination housing. By way of example only, the Accused Product depicted below comprises an illumination housing.

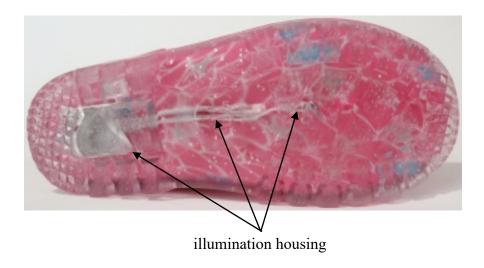


**59.** The Accused Products further comprise a power source being electrically connected to the plurality of illumination sources by electrical wires. By way of example only, the Accused Product depicted below comprise a power source being electrically connected to the plurality of illumination sources by electrical wires.

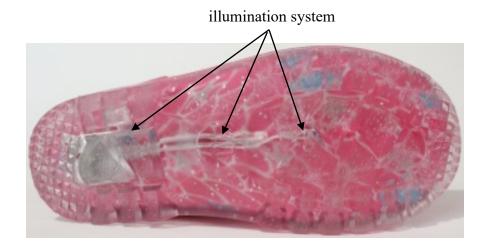


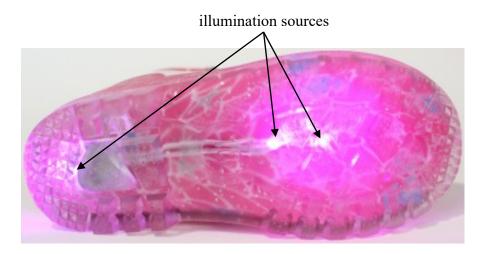


60. The Accused Products further comprise an illumination housing being positioned internally within the sole section. By way of example only, the Accused Product depicted below comprise an illumination housing being positioned internally within the sole section.

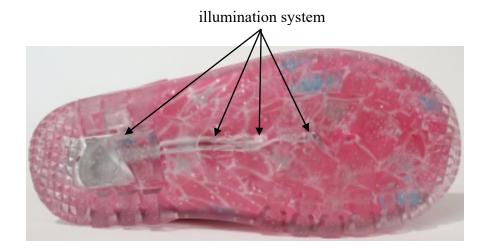


61. The Accused Products further comprise an illumination system being located within the illumination housing, and the plurality of illumination sources internally illuminates the sole section and translucent tread pattern. By way of example only, the Accused Product depicted below comprise an illumination system being located within the illumination housing, and the plurality of illumination sources internally illuminates the sole section and translucent tread pattern.





62. The Accused Products further comprise an illumination system being permanently encapsulated internally within the sole section. By way of example only, the Accused Product depicted below comprise an illumination system being permanently encapsulated internally within the sole section.



- 63. Academy has had knowledge of Firebug's '965 patent and product embodying the '965 patent dating back to the first patent dispute between Firebug and Academy since at least as early as January 2016, when Firebug notified Academy of its infringement of Firebug's '965 patent. The parties ultimately settled that dispute in November 2016, with Academy accepting a Patent License from Firebug and paying Firebug a licensing fee, with the license grant expiring in January 2017.
- **64.** Academy had further knowledge of Firebug's '965 patent and of Academy's infringing conduct since at least December 2019, when Firebug by and through its legal counsel Gilbreth Roebuck, P.C. thru certified letter notified Academy of its infringing conduct.
- **65.** Academy's acts of infringement of Firebug's '965 patent have been egregious, willful and/or intentional.
- 66. Firebug has suffered and is suffering damages as a result of Academy's willful and wrongful acts in an amount yet to be determined. Academy is liable to Firebug in an amount that adequately compensates Firebug for Academy's infringement, which by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

67. As a consequence of the infringement complained of herein, Firebug has been irreparably damaged to an extent not yet determined and will continue to be irreparably damaged by such acts in the future unless Academy is enjoined by this Court from committing further acts of infringement.

#### PRAYER FOR RELIEF

WHEREFORE, Firebug prays for entry of judgment that:

- **A.** Academy has infringed the '561 patent and the '965 patent;
- **B.** Academy account for and pay to Firebug all damages caused by its infringement of the '561 patent and the '965 patent in accordance with 35 U.S.C. § 284;
- C. Academy's infringement has been egregious, wanton and willful, and award Firebug treble damages pursuant to 35 U.S.C. § 284;
- **D.** This is an exceptional case based on Academy's actions, and award Firebug its reasonable attorneys' fees under 35 U.S.C. § 285;
- **E.** Firebug be granted permanent injunctive relief pursuant to 35 U.S.C. § 283 enjoining and its respective officers, agents, servants, employees and those persons in active concert or participation with them from further acts of patent infringement;
- **F.** Firebug be granted pre-judgment and post-judgment interest on the damages caused to it by reason of Academy's patent infringement complained of herein;
  - **G.** Costs be awarded to Firebug; and,
- **H.** Firebug be granted such other and further relief as the Court may deem just and proper under the circumstances.

### **DEMAND FOR JURY TRIAL**

Firebug demands trial by jury on all claims and issues so triable pursuant to Federal Rule of Civil Procedure 38.

Respectfully submitted,

Dated: August 19, 2020 By: /s/ C. Dale Quisenberry

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