

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS

UNICORN GLOBAL, INC.,
HANGZHOU CHIC INTELLIGENT
TECHNOLOGY CO., LTD., AND
SHENZHEN UNI-SUN ELECTRONIC
CO., LTD.,

Plaintiffs,

v.

GOLABS, INC. D/B/A GOTRAX,
ZHEJIANG TAOTAO VEHICLES CO.
LTD., AND MATAO CAO,

Defendants.

Civil Action No. 3:20-CV-02023-N

JURY TRIAL DEMANDED

PLAINTIFFS' AMENDED COMPLAINT FOR PATENT INFRINGEMENT

This is a patent infringement action by Unicorn Global, Inc. (“Unicorn”), Hangzhou Chic Intelligent Technology Co., Ltd. (“Chic”), and Shenzhen Uni-Sun Electronic Co., Ltd. (“Uni-Sun”) (collectively, “Plaintiffs”) against Golabs, Inc. d/b/a GOTRAX (“GOTRAX”), Zhejiang Taotao Vehicles Co. Ltd. (“Taotao”), and Matao Cao (collectively, “Defendants”).¹

INTRODUCTION

1. This action is brought pursuant to the patent laws of the United States, 35 U.S.C. § 101 *et seq.*
2. Chic is the owner by assignment of all rights, title, and interest in and under U.S. Patent No. 10,597,107 (“the ‘107 Patent”), entitled “Electric Balance Vehicle,” which is attached as **Exhibit 1**.
3. The ‘107 Patent is currently licensed to Uni-Sun on an exclusive basis with Unicorn as its authorized enforcement agent.

¹ A related case styled, *Unicorn Global, Inc. et. al v. Golabs, Inc. d/b/a/ GOTRAX et. al*, No. 3:19-cv-00754 (N.D. Tex.) (“*Unicorn I*”), is currently pending before Judge Godbey.

4. Defendants have infringed and continue to infringe the claimed subject matter of the '107 Patent without permission in connection with electric balance vehicles called hoverboards that Defendants makes, uses, offers for sale, sells, and imports into the United States, which are sold and offered for sale in the United States.

PARTIES

5. Chic is a company organized and existing under the laws of the People's Republic of China with a principal place of business located at 2/F, No. 2 Building, Liangzhu University, Science and Technology Park, No. 1 Jingyi Road, Liangzhu, Hangzhou, 311112, People's Republic of China.

6. Chic is a high-tech company that is supported by Zhejiang University Ministry of Education Computer Aided Product Innovation Design Engineering Center; Zhejiang University International Design; and Zhejiang Key Laboratory of Service Robot. Chic manufactures and licenses hoverboard products for sale in the United States. Chic has been assigned 70 authorized patents for its hoverboard technology and design in different regions such as China, the United States, the European Union, and Canada.

7. Unicorn is a California corporation with its place of business located at 18333 Gale Ave., City of Industry, California 91748. Unicorn has enforcement rights for the '107 Patent under a written Patent License Agreement dated October 16, 2018.

8. Uni-Sun is a company organized and existing under the laws of the People's Republic of China with its principal place of business located at No. 43 Lan Second Road, Longxin Area, Longgang District, Shenzhen Guangdong, 518000, People's Republic of China. Uni-Sun holds an exclusive license to the '107 Patent under a written Patent License Agreement dated October 16, 2018. Chic and Uni-Sun have assigned enforcement rights to Unicorn. Together, Plaintiffs have standing to sue for all past, present, and future infringement of the '107 Patent.

9. GOTRAX is a privately-held Texas corporation with its principal place of business at 2201 Luna Rd., Carrollton, TX 75006. GOTRAX has appointed Law Offices of William Chu, 4455 LBJ Freeway, Ste 1008, Dallas, TX 75244 USA, as its registered agent for service of process.

10. Defendant Zhejiang Taotao Vehicles Co. Ltd. is a Chinese company with its principal place of business at No. 10 Xinyuan Road, Xinbi Street, Jinyun County, Lishui, Zhejiang Province, China. Upon information and belief, Taotao can be served through its chairman and president Mr. Matao Cao at 2201 Luna Rd., Carrollton, TX 75006 for service of process.

11. Defendant Matao Cao is a Chinese citizen. Upon information and belief, Mr. Ca is a resident in Carrollton, Texas. Mr. Cao can be served at 2201 Luna Rd., Carrollton, TX 75006 or his other residence for service of process.

JURISDICTION AND VENUE

12. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

13. This Court has personal jurisdiction over GOTRAX because GOTRAX is based in this District, regularly conducts business in this District, and has committed and continues to commit acts of patent infringement in this District.

14. This Court has personal jurisdiction over Matao Cao because Matao Cao resides in this District, regularly conducts business in this District and has committed and continues to commit acts of patent infringement in this District.

15. This Court has personal jurisdiction over Taotao because Taotao is a Chinese company which regularly conducts business in this District and has committed and continues to commit acts of patent infringement in this District.

16. Venue is proper in this District under 28 U.S.C. § 1400(b) and § 1391(c)(3) because the Defendants reside in this District, have regular and established places of business in this District and have committed acts of infringement in this District and/or are foreign corporations.

INFRINGEMENT PRODUCTS

17. The '107 Patent was validly issued by the United States Patent and Trademark Office and are presumed valid under 35 U.S.C. § 282.

18. Chic is the owner of all right, title, and interest in and to the '107 Patent, and collectively, Plaintiffs have the exclusive rights to enforce the '107 Patent, to file actions based on infringement of the '107 Patent, to recover damages or other monetary amounts for infringement of the '107 Patent, and to obtain injunctive relief pertaining to the '107 Patent.

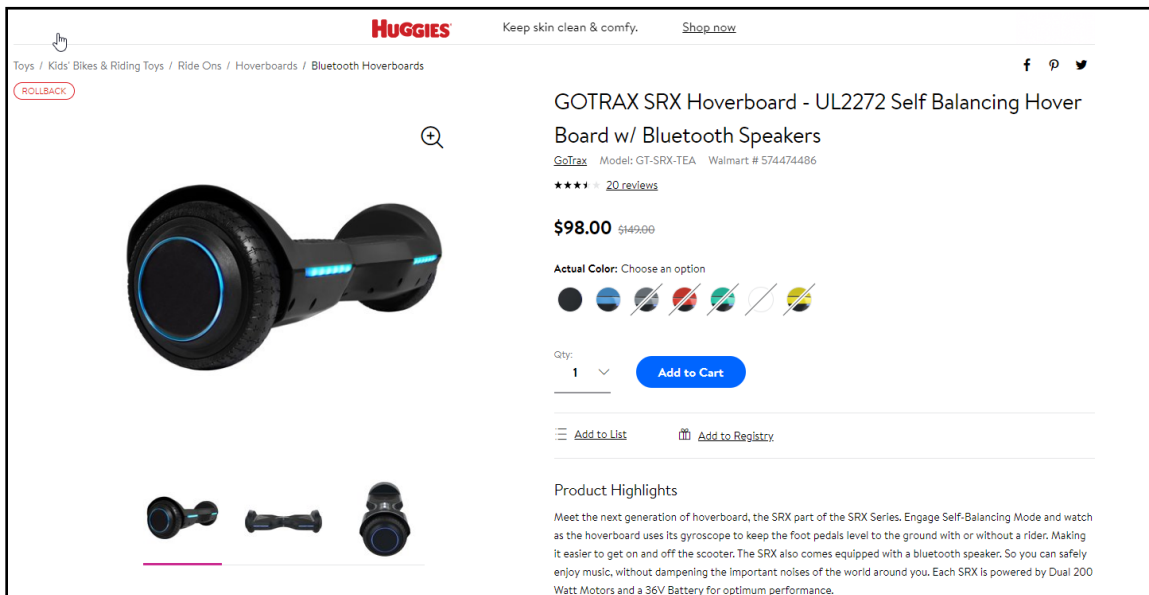
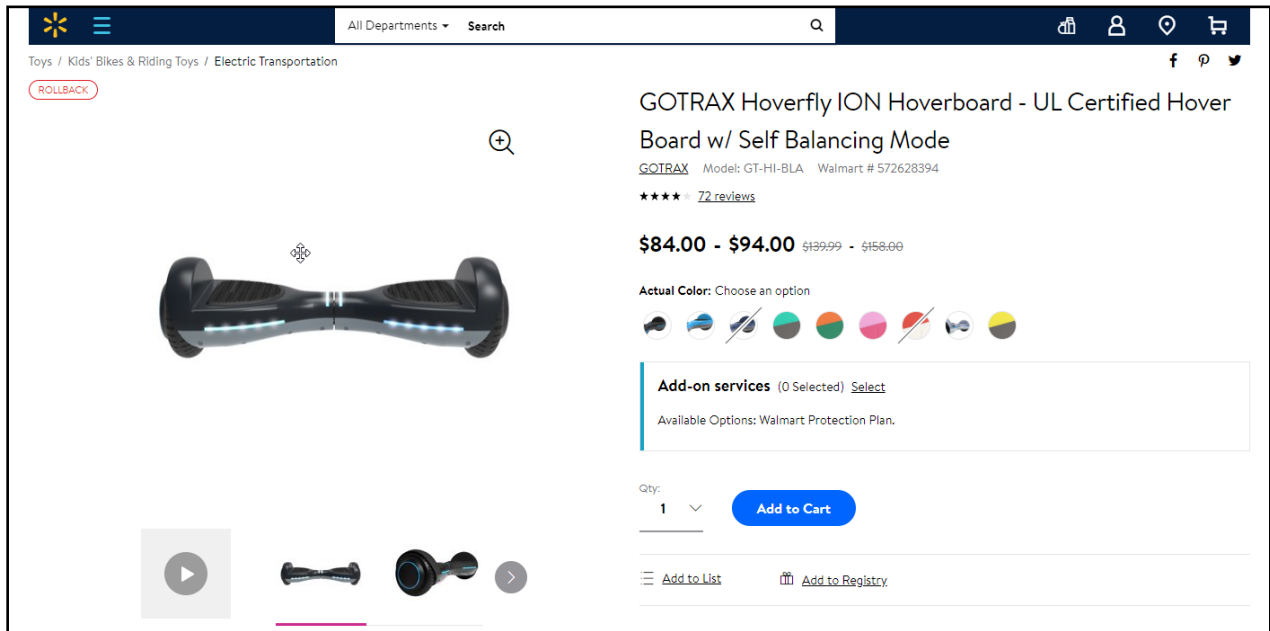
19. Chic has owned the '107 Patent at all times during Defendant's infringement of the '107 Patent.

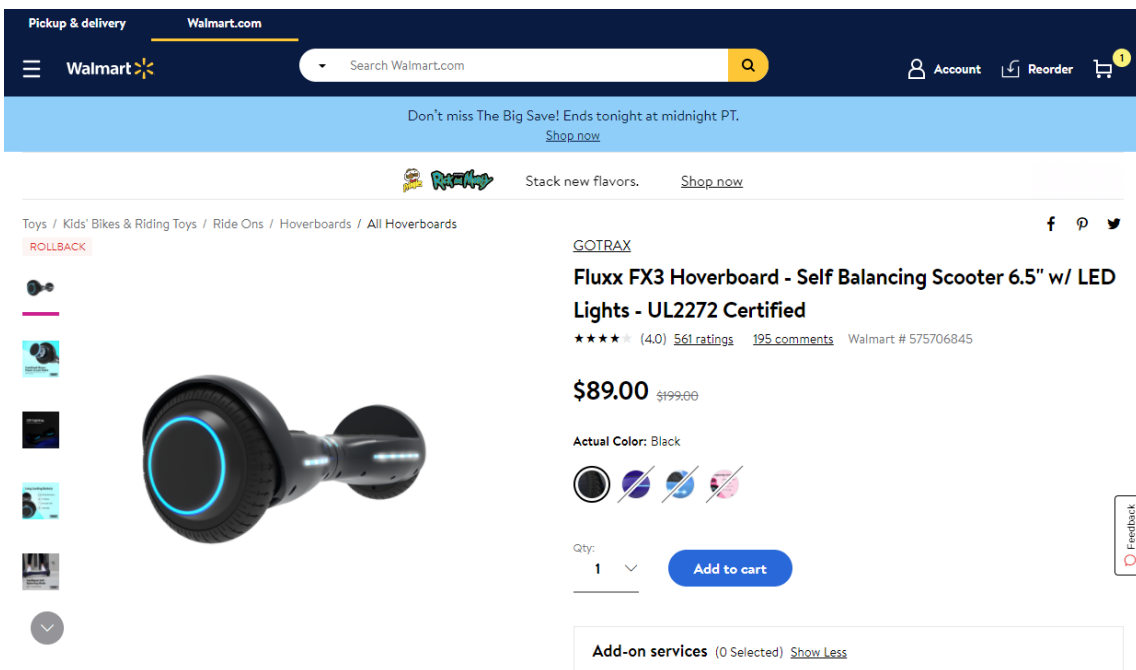
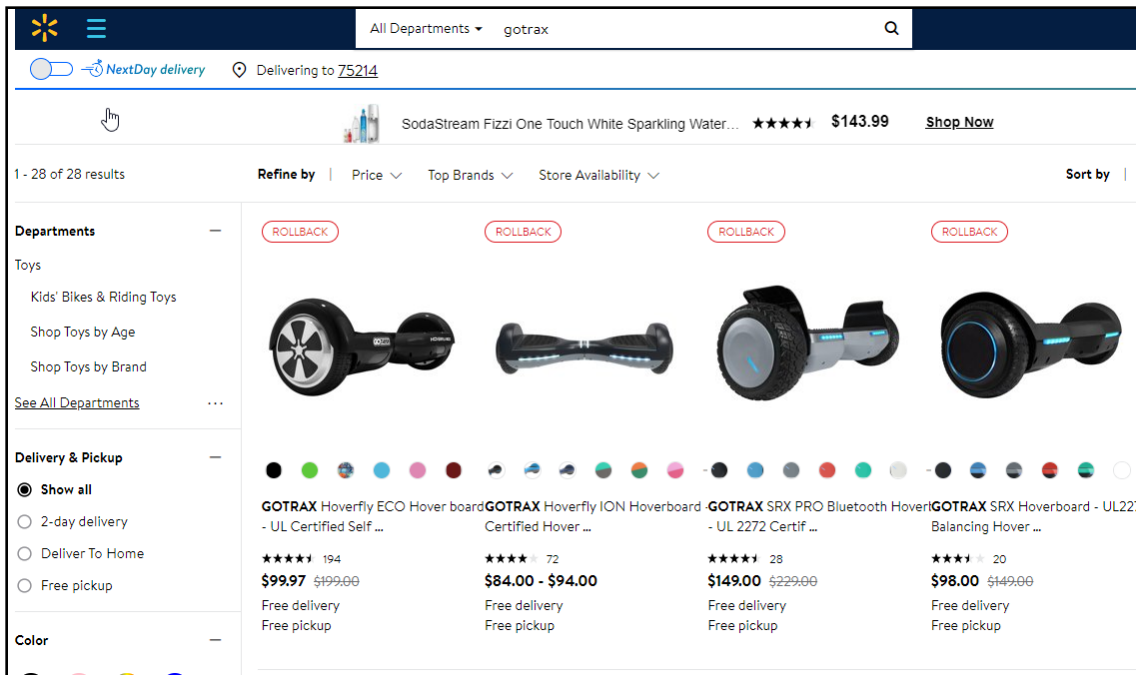
20. The '107 Patent are directed to electric balance vehicles commonly referred to as "hoverboards."

21. Mr. Matao Cao is the owner of record of U.S. Trademark Application No. 87,953,952 for the FLUXX mark, which is used on self-balancing one-wheeled electric scooters and self-balancing two-wheeled electric scooters. Upon information and belief, Mr. Cao is also known as Terry Cao and currently the CEO of GOTRAX.

22. Without authorization, Defendants makes, uses, imports, sells, or offers for sale self-balancing vehicles that infringe the '107 Patent, including at least claim 8 of the '107 Patent. The infringing products are the GOTRAX Hoverfly Eco, GOTRAX Hoverfly Ion, GOTRAX SRX, GOTRAX SRX Pro, GOTRAX Hoverfly XL, GOTRAX 654-2, GOTRAX Remix, and FLUXX hoverboard products imported, sold, or offered for sale in the United States (collectively, the "Accused Products").

23. Pictures of representative Accused Products offered for sale on the Walmart.com platform are included below:



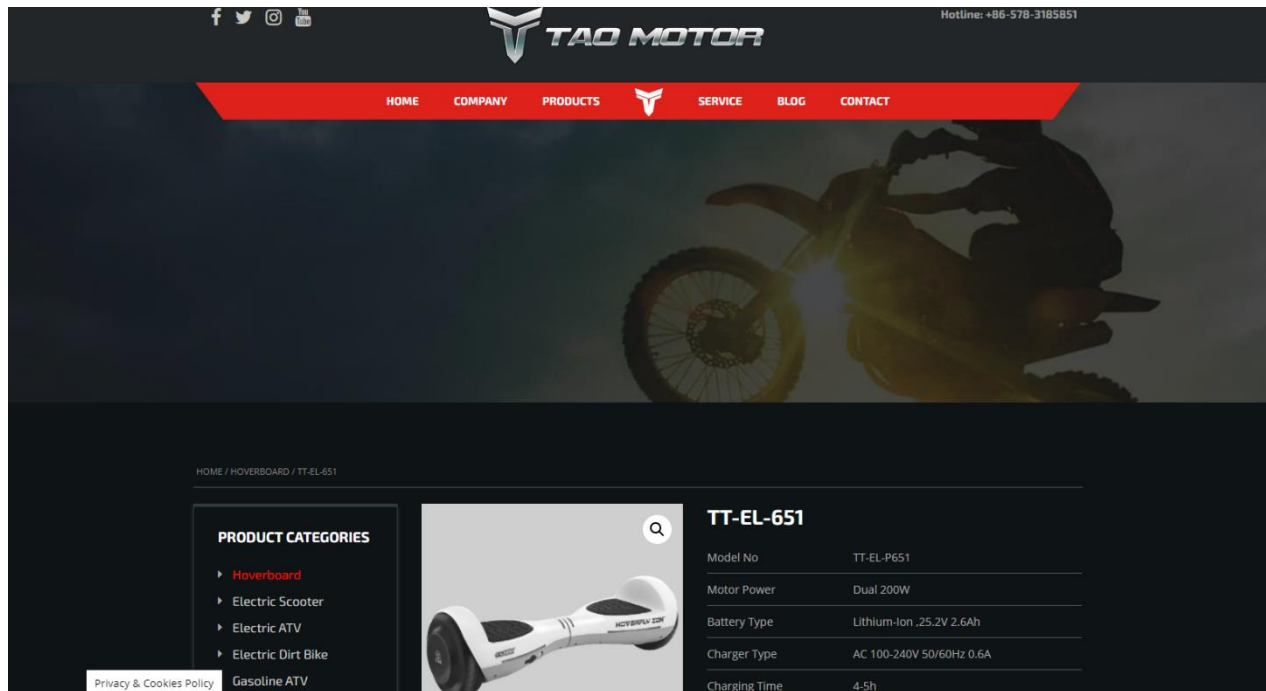


24. Each of the Accused Products meets each and every element of at least claim 8 of the '107 Patent, either literally or equivalently. *See Disc Disease Sols. Inc. v. VGH Sols., Inc.*, 888 F.3d 1256, 1260 (Fed. Cir. 2018) (discussing pleading requirements under *Iqbal*). The Accused Products are electric balance vehicles with top and bottom covers outside of an inner cover, a

rotating mechanism in a middle portion of the inner cover, two wheels rotatably fixed to the edges of the inner cover, and all the other required elements of claim 8 of the '107 Patent.

25. GOTRAX sells and offers to sell the Accused Products directly to end-user customers in the United States, including Texas, through its e-commerce website and through third-party resellers, such as Walmart.com platform.

26. Taotao makes and supplies the Accused Products to GOTRAX. In addition, Taotao has infringed the '107 Patent by selling and/or offering to sell the same Accused Products not only to GOTRAX, but also to other distributors or end-user customers in the United States, through its website at www.taotaomotor.com and/or other online platforms.



27. Matao Cao has infringed the '107 Patent by directly and personally involved in the selling and/or offering to sell the Accused Products. For example, Mr. Cao owns the FLUXX mark, which is used in some of the Accused Products sold in the U.S. Upon information and belief, Mr. Cao is involved in the selling of FLUXX products, including licensing the FLUXX trademark to GOTRAX, which sells the FLUXX-branded products through Walmart.com and other platforms.

KNOWLEDGE AND WILLFULNESS

28. Defendants had pre-suit actual knowledge of the ‘107 Patent and that the Accused Products infringe the ‘107 Patent because GOTRAX’s manufacturer, Zhejiang Taotao Automotive Corp., previously licensed related utility patents U.S. Patent Nos. 9,376,155 and 9,452,802 (collectively, the “related utility patents”) that are asserted in an action pending in this District, *Unicorn Global, Inc. et. al v. Golabs, Inc. d/b/a/ GITRAX et. al*, No. 3:19-cv-00754 (N.D. Tex.) (“*Unicorn I*”), from Chic for use in connection with the manufacture, importation, distribution, use, offer for sale, and sale of hoverboard products, including the Accused Products at issue. GOTRAX previously sold hoverboard products that were marked with the related utility patents, representing to the public that the marked products were covered by the related utility patents that are asserted in *Unicorn I*. Moreover, in a separate lawsuit styled *Golabs, Inc. d/b/a/ GOTRAX v. Hangzhou Chic Intelligent Technology Co., Ltd. et al.*, No. 3:19-cv-1019 (N.D. Tex.), GOTRAX alleges that Chic, Unicorn, and agents of Unicorn provided notice of infringement to GOTRAX.

29. Defendants had actual pre-suit knowledge of the ‘107 Patent and that the Accused Products infringe the ‘107 Patent based on prior infringement notices on related patents and communications between counsel for Plaintiffs and counsel for Defendants about adding additional patents to the pending *Unicorn I* action. *See Georgetown Rail Equip. Co. v. Holland L.P.*, 867 F.3d 1229, 1245 (Fed. Cir. 2017) (“Substantial evidence supports the jury’s finding that subjective recklessness led to willful infringement in this case.”).

30. Defendants also have actual knowledge of the ‘107 Patent and that the Accused Products infringe the ‘107 Patent due to service of this action. *In re Bill of Lading Transmission & Processing Sys. Patent Litig.*, 681 F.3d 1323, 1345 (Fed. Cir. 2012) (allowing notice of indirect infringement upon service); *Uniloc USA, Inc. v. Motorola Mobility LLC*, No. 2:16-CV-989-JRG, 2017 WL 3721064, at *3 (E.D. Tex. May 15, 2017) (same for direct infringement).

31. Defendants have constructive knowledge of the '107 Patent because Plaintiffs have complied with the marking statute, 35 U.S.C. § 287.

COUNT ONE
PATENT INFRINGEMENT
The '107 Patent

32. Defendants directly infringe, literally or under the doctrine of equivalents, and have infringed at least claim 8 of the '107 Patent by, without authority, making, using, importing, offering to sell, or selling the Accused Products that practice the claimed invention of the '107 Patent within the United States.

33. The Accused Products meet each and every one of the elements of at least claim 8 of the '107 Patent, either literally or equivalently.

34. Defendants' infringement has harmed Plaintiffs and will continue to cause severe and irreparable damage to Plaintiffs as long as Defendants' infringing activities continue.

35. Defendants' infringement of the '107 Patent was willful and supports an award of increased damages and an exceptional case finding.

36. Plaintiffs are entitled to recover damages adequate to compensate Plaintiffs for the injuries complained of herein, including possible lost profits, but in no event less than a reasonable royalty.

37. Plaintiffs are further entitled to have Defendants enjoined from committing future acts of infringement that would subject Plaintiffs to irreparable harm.

JURY DEMAND

38. Plaintiffs request a jury trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for relief against Defendants as follows:

A. A judgment that Defendants have infringed the '107 Patent;

B. A judgment awarding Plaintiffs damages adequate to compensate for Defendants' infringement;

C. A judgement and order requiring Defendants to pay Plaintiffs increased damages up to three times the amount found or assessed under 35 U.S.C. § 284;

D. A determination that this is an exceptional case under 35 U.S.C. § 285;

E. An award of attorneys' fees for bringing and prosecuting this action;

F. A permanent injunction enjoining Defendants, their officers, agents, servants, employees, representatives, licensees, successors, assigns, and all those in privity, active concert, or participation with any of them from further infringement of the '107 Patent;

G. Pre-judgment and post-judgment interest to the full extent allowed under the law, as well as costs; and

H. Such other and further relief as the Court deems just and equitable.

DATED October 16, 2020.

Respectfully submitted,

By: /s/ Timothy T. Wang

Hao Ni

Texas Bar No. 24047205

hni@nilawfirm.com

Timothy T. Wang

Texas Bar No. 24067927

twang@nilawfirm.com

Neal Massand

Texas Bar No. 24039038

nmassand@nilawfirm.com

Stevenson Moore V

Texas Bar No. 24076573

smoore@nilawfirm.com

Ni, WANG & MASSAND, PLLC

8140 Walnut Hill Ln., Ste. 500

Dallas, TX 75231

Tel: (972) 331-4602

Fax: (972) 314-0900

**ATTORNEY FOR PLAINTIFFS
UNICORN GLOBAL, INC., HANGZHOU
CHIC INTELLIGENT TECHNOLOGY
CO., LTD., AND SHENZHEN UNI-SUN
ELECTRONIC CO., LTD.**

CERTIFICATE OF SERVICE

I hereby certify that on the 16th day of October, 2020, I electronically filed the foregoing document with the clerk of the court for the U.S. District Court, Northern District of Texas, , using the electronic case filing system of the court. The electronic case filing system sent a “Notice of Electronic Filing” to the attorneys of record who have consented in writing to accept this Notice as service of this document by electronic means.

/s/ Timothy T. Wang
Timothy T. Wang