

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

FLEXIWORLD TECHNOLOGIES, INC.,

Plaintiff,

v.

ROKU INC.,

Defendant.

Case No. 6:21-cv-0882

Patent Case

Jury Trial Demanded

ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Flexiworld Technologies, Inc., files this Original Complaint against Roku Inc. for infringement of U.S. Patent Nos. 11,096,056 (“the ’056 patent” or “the Patent-in-Suit”).

NATURE OF THE SUIT

1. This is a claim for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code.

THE PARTIES

2. Plaintiff **Flexiworld Technologies, Inc. (“Plaintiff” or “Flexiworld”)** is a Washington corporation with its principal place of business at 2716 SE 169th Ave Q147, Vancouver, WA.

3. Defendant **Roku Inc. (“Roku”)** is a Delaware corporation with a principal place of business located at 9606 N. Mopac Expressway, Suite 400, Austin, Texas 78759.

JURISDICTION AND VENUE

4. This action arises under the patent laws of the United States, 35 U.S.C. § 101, *et seq.* This Court’s jurisdiction over this action is proper under the above statutes, including 35 U.S.C. § 271, *et seq.*, 28 U.S.C. § 1331 (federal question jurisdiction), and § 1338 (jurisdiction over patent actions).

5. Roku is subject to personal jurisdiction in this Court. In particular, this Court has personal jurisdiction over Roku because Roku has engaged in continuous, systematic, and substantial activities within this State, including substantial marketing and sales of products within this State and this District. Furthermore, upon information and belief, this Court has personal jurisdiction over Roku because Roku has committed acts giving rise to Flexiworld's claims for patent infringement within and directed to this District.

6. Upon information and belief, Roku has committed acts of infringement in this District and has one or more regular and established places of business within this District under the language of 28 U.S.C. § 1400(b). Thus, venue is proper in this District under 28 U.S.C. § 1400(b).

7. Roku maintains a permanent physical presence within the Western District of Texas, conducting business from at least its location 9606 N. Mopac Expressway, Suite 400, Austin, Texas 78759.

8. Upon information and belief, Roku has conducted and does conduct substantial business in this forum, directly and/or through subsidiaries, agents, representatives, or intermediaries, such substantial business including but not limited to: (i) at least a portion of the infringements alleged herein; (ii) purposefully and voluntarily placing one or more infringing products into the stream of commerce with the expectation that they will be purchased by consumers in this forum; or (iii) regularly doing or soliciting business, engaging in other persistent courses of conduct, or deriving substantial revenue from goods and services provided to individuals in Texas and in this judicial district.

9. Venue is proper in the Western District of Texas pursuant to 28 U.S.C. §1391 and 28 U.S.C. § 1400(b).

FLEXIWORLD AND THE PATENT-IN-SUIT

10. Flexiworld is a pioneer and leading innovator in the field of pervasive wireless technologies.

11. Flexiworld was founded by American scientist and inventor William Ho Chang and is an innovator engaged in research and development of technologies for wireless applications and embedded solutions in short-range wireless (*e.g.*, Bluetooth, Wi-Fi) and mobile device markets.

12. Flexiworld has significantly contributed to the innovation of wireless devices such as mobile phones, notebooks, PDAs, digital cameras, wireless television, wireless printers, and wireless audio devices, etc.

13. Flexiworld was voted the best early-stage company in the Pacific Northwest in 2002 and Flexiworld's business plan was also voted, consecutively, as the top 2 among the "Ten Best" in 2002 and in 2003 by the Business Journal in Silicon Valley, USA.

14. Flexiworld's innovative work and results have been widely recognized in the industry. The company's patents have been repeatedly forward cited by major technology companies worldwide, including by Roku.

15. Flexiworld develops wireless applications and embedded solutions for the short-range wireless and mobile device market.

16. William H. Chang, one of the named co-inventors on the Patents-in-Suit, is the founder and President of Flexiworld. Mr. Chang has been granted over 88 United States patents and over 100 patents worldwide on his inventions.

17. Christina Ying Liu, one of the named co-inventors on the Patents-in-suit, is a Flexiworld shareholder. Ms. Liu has been granted over 65 United States patents and over 75 patents worldwide on her inventions.

The Patent-In-Suit

18. The '056 Patent, entitled "Output devices, such as televisions, output controllers, or audio output devices, that are setup to wirelessly receive digital content from a digital content service over the internet or from a wireless information apparatus that is in the same network as the output devices," duly and legally issued on August 17, 2021, from U.S. Patent Application No. 16/557,593, filed on August 30, 2019, naming William Ho Chang and Christina Ying Liu as the inventors. A true and correct copy of the '056 Patent is attached hereto as **Exhibit 1** and is incorporated by reference.

19. The '056 Patent claims patent-eligible subject matter under 35 U.S.C. § 101.

20. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '056 Patent.

21. An assignment of the '056 Patent from inventors Chang and Liu to Flexiworld is recorded at the PTO at Reel/Frame 043675/0451.

22. Flexiworld has standing to sue for infringement of the '056 Patent.

GENERAL ALLEGATIONS

23. Roku makes, uses, sells, offers to sell, and/or imports into the United States products, and/or engages in practices, as claimed in the Patent-in-Suit.

24. Roku makes, uses, sells, offers to sell, and/or imports into the United States products that infringe, and/or engages in practices that infringe, at least one claim of one or more of the Patent-in-Suit, including but not limited to its Roku Streaming Players and Roku TV Products (hereinafter, collectively, "**Roku Devices**") and its practices with respect to, and use of, the same.

25. Roku has infringed and continues to infringe (literally and/or under the doctrine of equivalents), directly, indirectly, and/or through subsidiaries, agents, representatives, or

intermediaries, one or more claims of each of the Patents-in-Suit by making, using, importing, testing, supplying, causing to be supplied, selling, and/or offering for sale in the United States its Roku Devices and/or Roku Mobile App.

26. Roku's customers have directly infringed and continue to directly infringe the Patent-in-Suit by using the Roku Devices and/or Roku Mobile App purchased from Roku. Through its product manuals and/or sales and marketing activities, Roku solicits, instructs, encourages, and aids and abets its customers to purchase and use the Roku Devices and Roku Mobile App in an infringing way.

27. Roku makes, uses, sells, offers to sell, and/or imports into the United States a computer readable medium, with at least part of a software program recorded therein, including but not limited to computer readable recording mediums with one or more versions of Roku's TV operating system (hereinafter "**Roku TV OS**") or Roku's Mobile App. On information and belief, Roku licenses and supplies Roku TV OS to customers for use in televisions, which Roku's customers make, use, sell, offer for sale, and/or import into the United States. Such televisions include televisions made, used, sold, offered for sale, and/or imported into the United States by Roku customers under the TCL, Hisense, Philips, Sanyo, Element, JVC, RCA, Hitachi, Magnavox, Westinghouse, Onn, and InFocus brand names, and include but are not limited to the TCL 32S3750; TCL 40FS3750; TCL 32S325; TCL 32S327; TCL 32S321; TCL 40S327; TCL 43S327; TCL 32S335; TCL 55C807; TCL 50S425; TCL 55S425; TCL 65S425; TCL 75R615; TCL 43S525; TCL 65S525; TCL 75S425; TCL 75Q825; TCL 55S535; TCL 55R635; TCL 65S535; TCL 75S535; TCL 75R635; TCL 43S433; TCL 50S435; TCL 55S433; TCL 65S433; TCL 85S435; TCL 85R745; Hisense 32H4F; Hisense 40H4030F1; Hisense 43H4; Hisense 32H4F5; Hisense 40H4; Hisense 55R8F5; Hisense 65R68F5; Hisense 55R6G; Hisense 55R6090G5; Philips

32PFL4664/F7; Philips 32PFL4664/F7; Philips 32PFL4764F7; Philips 55PFL4864/F7; Philips 55PFL4864/F7; Sanyo FW32R19F; Sanyo FW55R70F; Sanyo FW65R70F; Element E2AA40R-G; Element E2AA40R-T; Element E4AA43R-G; Element E1AA32R-G; JVC LT-70MAW795; Element E1AA24R; JVC 50MAW595; JVC LT-40MAW305; JVC LT-55MAW595; JVC LT-40MAR305; JVC LT-58MAR595; JVC 58MAW595; JVC LT-43MAW595; JVC LT-32MAW205; JVC LT-49MAW598; JVC LT-70MAW795; JVC LT-65MAW595; JVC LT-32MAW388; RCA RTR4060-W; RCA RTRU5027-W; RCA RTRU5527-W; RCA RTR3260-W; RCA RTRU6527-US; RCA RTR4360-W; RCA RTRQ6522-US; RCA RTRQ5522-US; Hitachi 43R51; Hitachi 40RC53; Hitachi 32RC23; Hitachi 32R21; Magnavox 65MV379R/F7; Magnavox 55MV379R/F7; Magnavox 50MV349/F7; Magnavox 43MV349R/F7; Magnavox 32MV319R/F7; 24" HD onn. Roku TV; 32" HD onn. Roku TV; 65" 4K UHD onn. Roku TV (100012587); 70" 4K UHD onn. Roku TV (100012588); 65" 4K UHD TCL Roku TV (65S435); 75" 4K UHD TCL Roku TV (75S435); RCA RTR4360-W; Westinghouse WR42FX2002; Westinghouse WR55UT4019; Westinghouse WR65UT4019; Westinghouse WR58UX4019; Westinghouse WR75UX4200; onn. 32" Class HD (720P) Roku Smart LED TV (100012589); onn. 65" Class 4K (2160p) UHD LED Roku Smart TV HDR (100012587); onn. 43" Class 4K UHD LED Roku Smart TV HDR (100012584); onn. 70 Class 4K UHD (2160P) LED Roku Smart TV HDR (100012588); onn. 50" Class 4K (2160P) Roku Smart LED TV (100012585); onn. 24" Class 720P HD LED Roku Smart TV (100012590); onn. 55 Class 4K UHD (2160P) LED Roku Smart TV HDR (100012586); onn. 50" Class 4K UHD HDR10 Roku Smart LED TV (100005396); onn. 50" Class 4K UHD HDR10 Roku Smart LED TV (100007147); onn. 50" Class 4K(2160P) UHD HDR10 Roku Smart LED TV (100005843); onn. 40" Class FHD (1080P) Roku Smart LED TV; onn. 60" Class 4K UHD HDR Roku Smart LED TV (100024699); onn. 50" Class 4K UHD LED Roku

Smart TV 100021258; onn. 58" Class 4K Ultra HD (2160P) HDR10 Roku Smart LED TV; and InFocus IN45FA40PR televisions (hereinafter, collectively, “**Roku TV Products**”).

28. Roku has had knowledge of the Patent-in-Suit since at least receipt of service of this Complaint.

29. Roku’s ongoing actions are with specific intent to cause infringement of one or more claims of the Patent-in-Suit.

30. Further discovery may reveal earlier knowledge of the Patent-in-Suit, which would provide additional evidence of Roku’s specific intent and/or willful blindness with respect to infringement.

31. Flexiworld has been and continues to be damaged as a result of Roku’s infringing conduct. Roku is therefore liable to Flexiworld in an amount that adequately compensates Flexiworld for Roku’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.

32. Roku markets and sells other products that are not covered by the claims of the Patent-in-Suit but that are sold with or in conjunction with the Roku Devices, Roku Mobile App, and Roku streaming services. Accordingly, Flexiworld is entitled to collect damages from Roku for convoyed sales of certain non-patented items.

33. Roku failed to obtain permission from Flexiworld to make, use, sell, offer to sell, or import products incorporating the inventions claimed in the Patent-in-Suit including, but not limited to, the Roku Devices.

34. Attached hereto is **Exhibit 2**, and incorporated herein by reference, is a representative claim chart detailing how the exemplar Roku Devices, including Roku’s practices with respect to the same, have, and continue to, infringe one or more claims of the Patent-in-Suit.

35. For each count of infringement listed below, Flexiworld incorporates and re-states the allegations contained in the preceding paragraphs above, including these General Allegations, as if fully set forth in each count of infringement.

COUNT I – INFRINGEMENT OF THE '056 PATENT

36. Flexiworld incorporates herein the allegations made in paragraphs 1 through 35.

37. Roku has and continues to directly infringe one or more claims of the '056 Patent, including, for example, claims 1, 8, and 16, in violation of 35 U.S.C. § 271(a) by making, using, testing, selling, offering for sale, and/or importing into the United States infringing products including, but not limited to, the Roku Devices.

38. An exemplary claim chart demonstrating Roku's infringement of the '056 Patent, as well as Roku's customers' infringement of the '056 patent, which is induced by Roku, is attached as **Exhibit 2** and incorporated herein by reference.

39. Additionally, Roku is indirectly infringing the '056 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to make, use, sell, offer for sale, and/or import into the United States the Roku Devices, by inducing customers to purchase the Roku Devices, and/or by instructing customers how to use the Roku Devices in a way that directly infringes at least claim 1, 8, and 16 of the '056 Patent.

40. Roku has had actual knowledge of the '056 Patent since at least receipt of service of this Complaint.

41. On information and belief, Roku's ongoing actions represent a specific intent to induce infringement of at least claims 1, 8, and 16 of the '056 Patent. For example, Roku offers its customers extensive customer support and instructions, including instructional videos and webpages, that instruct and encourage its customers to infringe the '056 Patent via at least their

use of the Roku Devices. *See, e.g.*, <https://www.roku.com/products/players>;
<https://www.roku.com/how-it-works>; <https://support.roku.com/article/208754888>;
<https://www.roku.com/products/roku-tv>; <https://www.roku.com/products/roku-tv/ease-of-use>;
<https://www.roku.com/products/roku-tv/features>; <https://support.roku.com/category/200889378>;
<https://support.roku.com/category/115001360548>; *see also* **Exhibit 2** and materials cited therein.

42. As a result of Roku's infringement of the '056 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

DEMAND FOR A JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Flexiworld demands a trial by jury on all issues triable of right by a jury.

PRAYER FOR RELIEF

WHEREFORE, Flexiworld respectfully requests that this Court enter judgment in its favor and grant the following relief:

- a. A judgment that Roku has directly and/or indirectly infringed one or more claims of the Patent-in-Suit;
- b. A judgment and order requiring Roku to pay Flexiworld past and future damages under 35 U.S.C. § 284, including for supplemental damages arising from any continuing post-verdict infringement for the time between trial and entry of the final judgment with an accounting, as needed, as provided by 35 U.S.C. § 284;
- c. A judgment and order requiring Roku to pay Flexiworld reasonable ongoing royalties on a going-forward basis after final judgment;
- d. A judgment and order requiring Roku to pay Flexiworld pre-judgment and post-judgment interest on the damages award;
- e. A judgment and order requiring Roku to pay Flexiworld's costs; and
- f. Such other and further relief as the Court may deem just and proper.

Dated: August 24, 2021

Respectfully submitted,

/s/ Timothy E. Grochocinski

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