IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

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| REDWOOD TECHNOLOGIES, LLC, | § |
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| Plaintiff, | § |
| | § JURY TRIAL DEMANDED |
| v. | § |
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| EDIMAX TECHNOLOGY CO., LTD., | § C.A. NO. 2:22-cv-00208 |
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| Defendant. | Š |
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PLAINTIFF'S COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Redwood Technologies, LLC ("Redwood") files this Complaint against Defendant Edimax Technology Co., Ltd. ("Edimax" or "Defendant") for infringement of U.S. Patent No. 7,359,457 (the "'457 patent"), U.S. Patent No. 7,917,102 (the "'102 patent"), U.S. Patent No. 7,983,140 (the "'140 patent"), and U.S. Patent No. 10,498,571 (the "'571 patent"), collectively, the "Asserted Patents."

THE PARTIES

- 1. Redwood Technologies, LLC is a Texas limited liability company, with a principal place of business at 812 West McDermott Dr. #1038, Allen, TX 75013.
- 2. On information and belief, Edimax is a corporation organized under the laws of Taiwan with a principal place of business at No. 278, Xinhu 1st Rd., Neihu District, Taipei City, Taiwan, R.O.C. Edimax is engaged in making, using, selling, offering for sale, and/or importing, and/or induces its subsidiaries, affiliates, retail partners, and customers in the making, using, selling, offering for sale, and/or importing throughout the United States, including within this District, Wi-Fi compliant products accused of infringement. On information and belief, Edimax, along with other foreign and U.S.-based subsidiaries (which act as part of a global network of

overseas sales and manufacturing subsidiaries on behalf of Edimax), have operated as agents of one another and vicariously as parts of the same business group to work in concert together and enter into agreements that are nearer than arm's length to provide a distribution channel of infringing products within this District and the U.S. nationally.

- 3. Prior to the filing of the Complaint, Redwood sent a letter received by Edimax on November 8, 2021, where Redwood attempted to engage Edimax and/or its agents in licensing discussions related to the Asserted Patents for reasonable and non-discriminatory terms for a license to be taken in the absence of litigation. Edimax ignored Redwood's request to engage in licensing discussions. Indeed, Edimax has known about each of the Asserted Patents since at least November 8, 2021, when Edimax received notice of its infringement of the Asserted Patents via the letter sent by Redwood.
- 4. Prior to the filing of the Complaint, Redwood sent another letter received by Edimax on May 19, 2022, where Redwood again attempted to engage Edimax and/or its agents in licensing discussions related to the Asserted Patents for reasonable and non-discriminatory terms for a license to be taken in the absence of litigation. Edimax again ignored Redwood's request to engage in licensing discussions. Indeed, Edimax has known about each of the Asserted Patents since at least May 19, 2022, when Edimax received the second notice of its infringement of the Asserted Patents via the letter sent by Redwood.
- 5. Edimax's past and continuing making, using, selling, offering for sale, and/or importing, and/or inducing its subsidiaries, affiliates, retail partners, and customers in the making, using, selling, offering for sale, and/or importing the accused Wi-Fi compliant devices throughout the United States i) willfully infringe each of the Asserted Patents and ii) impermissibly take the significant benefits of Redwood's patented technologies without fair compensation to Redwood.

- 6. On information and belief, Edimax operates in agency with others, including its foreign and U.S.-based subsidiaries. See. e.g., https://www.edimax.com/edimax/post/post/data/edimax/us/edimax profile/ ("Edimax's global presence spans across North America, Asia, and Europe. The company has branch offices in California, the Netherlands, the United Kingdom, Poland, Romania, France, Germany, Australia, India, Ukraine, UAE, Russia, Italy, Spain, China, Singapore and Hong Kong. Edimax currently serves over 70 countries via our worldwide distribution channels. Thanks to our international distribution centers and offices, we are able to offer timely logistic services and support to customers around the globe. Edimax prioritizes its customers and makes a concerted effort to fulfill all their local and global networking needs."). Edimax is engaged in making, using, selling, offering for sale, and/or importing, and/or induces its subsidiaries, affiliates, retail partners, and customers in the making, using, selling, offering for sale, and/or importing throughout the United States, including within this District, Wi-Fi compliant products accused of infringement. Edimax operates in agency with others, including its foreign and U.S.-based subsidiaries, to provide a distribution channel of infringing products within this District and the U.S. nationally. Edimax, itself and between and amongst its agents and foreign and U.S.-based subsidiaries, purposefully direct the Accused Products into established distribution channels within this District and the U.S. nationally.
- 7. On information and belief, Edimax maintains a corporate presence in the United States via at least its, U.S.-based sales subsidiaries including, Edimax Computer Company ("ECC"). ECC is a corporation organized under the laws of the State of California, with a principal place of business at 530 Technology Drive Suit 100, Irvine, California 92618. ECC is a whollyowned subsidiary of Edimax. ECC provides sales, distribution, research, and development support

in North America for its parent Edimax, which wholly owns ECC. ECC is an agent of Edimax. At the direction and control of Edimax, U.S.-based sales subsidiaries including, ECC, import infringing Wi-Fi compliant products into the United States and this District.

- 8. On information and belief, Edimax and its U.S.-based sales subsidiaries (which act as part of a global network of overseas sales and manufacturing subsidiaries on behalf of Edimax) have operated as agents of one another and vicariously as parts of the same business group to work in concert together and enter into agreements that are nearer than arm's length. For example, Edimax, alone and via at least the activities of its U.S.-based sales subsidiaries (e.g., ECC), conducts business in the United States, including importing, distributing, and selling Wi-Fi compliant devices that incorporate devices, systems, and processes that infringe the Asserted Patents in Texas and this judicial district. See Trois v. Apple Tree Auction Center, Inc., 882 F.3d 485, 490 (5th Cir. 2018) ("A defendant may be subject to personal jurisdiction because of the activities of its agent within the forum state...."); see also Cephalon, Inc. v. Watson Pharmaceuticals, Inc., 629 F. Supp. 2d 338, 348 (D. Del. 2009) ("The agency theory may be applied not only to parents and subsidiaries, but also to companies that are 'two arms of the same business group,' operate in concert with each other, and enter into agreements with each other that are nearer than arm's length.").
- 9. Through offers to sell, sales, imports, distributions, and other related agreements to transfer ownership of Edimax's Wi-Fi compliant devices with distributors and customers operating in and maintaining a significant business presence in the U.S. and/or its U.S. subsidiaries (e.g., ECC), Edimax does business in the U.S., the state of Texas, and in the Eastern District of Texas.

JURISDICTION AND VENUE

- 10. This action arises under the patent laws of the United States, namely 35 U.S.C. §§ 271, 281, and 284-285, among others.
- 11. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 12. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(c). The Defendant is a foreign entity and may be sued in any judicial district under 28 U.S.C. § 1391(c)(3).
- 13. This Court has general and specific personal jurisdiction over Defendant pursuant to due process and/or the Texas Long Arm Statute because, inter alia, (i) Defendant has done and continues to do business in Texas and (ii) Defendant has, directly and through intermediaries, committed and continue to commit acts of patent infringement in the State of Texas, including making, using, offering to sell, and/or selling accused products in Texas, and/or importing accused products into Texas, including by Internet sales and sales via retail and wholesale stores, inducing others to commit acts of patent infringement in Texas, and/or committing a least a portion of any other infringements alleged herein. Defendant has placed, and is continuing to place, infringing products into the stream of commerce, via an established distribution channel, with the knowledge and/or understanding that such products are sold in Texas, including in this District. Defendant has derived substantial revenues from its infringing acts occurring within Texas and within this District. Defendant has substantial business in this State and judicial district, including: (A) at least part of its infringing activities alleged herein; and (B) regularly doing or soliciting business, engaging in other persistent conduct, and/or deriving substantial revenue from infringing goods offered for sale, sold, and imported, and services provided to Texas residents vicariously through

and/or in concert with its alter egos, intermediaries, agents, distributors, importers, customers, subsidiaries, and/or consumers.

- 14. This Court has personal jurisdiction over Defendant, directly or through intermediaries, distributors, importers, customers, subsidiaries, and/or consumers including its U.S.-based sales subsidiaries, e.g., ECC. Through direction and control of such subsidiaries, Defendant has committed acts of direct and/or indirect patent infringement within Texas, and elsewhere within the United States, giving rise to this action and/or has established minimum contacts with Texas such that personal jurisdiction over Defendant would not offend traditional notions of fair play and substantial justice. ECC is a wholly-owned subsidiary of Edimax. The primary business of ECC is the marketing and sale of electronic products in the United States. Edimax has a 100% controlling ownership interest in ECC and maintains more than half of the voting rights for such subsidiaries as its basis for control. Upon information and belief, Edimax compensates ECC for its sales support services in the United States. As such, Edimax has a direct financial interest in its U.S.-based subsidiaries, and vice versa.
- 15. Personal jurisdiction is proper because Defendant has committed acts of infringement in this District. This Court has personal jurisdiction over Defendant because, *inter alia*, this action arises from activities Defendant purposefully directed towards the State of Texas and this District.
- 16. Exercising personal jurisdiction over Defendant in this District would not be unreasonable given Defendant's contacts in this District, the interest in this District of resolving disputes related to products sold herein, and the harm that would occur to Edimax.
- 17. In addition, Defendant has knowingly induced and continues to knowingly induce infringement within this District by advertising, marketing, offering for sale and/or selling devices

pre-loaded with infringing functionality within this District, to consumers, customers, manufacturers, distributors, resellers, partners, and/or end users, and providing instructions, user manuals, advertising, and/or marketing materials which facilitate, direct or encourage the use of infringing functionality with knowledge thereof.

- 18. Personal jurisdiction also exists specifically over Defendant because Defendant, directly or through affiliates, subsidiaries, agents, or intermediaries, transacts business in this State or purposefully directed at this State by making, importing, offering to sell, selling, and/or having sold infringing products within this State and District or purposefully directed at this State or District.
- 19. Personal jurisdiction also exists specifically because Defendant has overlapping executives, interlocking corporate structures, and close relationships as manufacturer, importer, and distributor of the products accused of infringement.
- 20. To the extent the foreign Defendant is not subject to jurisdiction in any state's court of general jurisdiction, exercising jurisdiction over Defendant in this State and this District would be consistent with due process and this State's long-arm statute and under national contacts in light of the facts alleged in this Complaint.
- 21. In addition, Defendant, directly or through affiliates, subsidiaries, agents, or intermediaries, places infringing products into the stream of commerce knowing they will be sold and used in Texas, and economically benefits from the retail sale of infringing products in this State. For example, Defendant's products have been sold and are available for sale in this District through online retailers such as Walmart and Amazon. Edimax also advertises its infringing products to consumers in Texas and this District through its agent's websites. *See, e.g.*, https://www.edimax.com/edimax/us/.

22. With respect to the Asserted Patents, the Accused Products are devices that include, but are not limited, to Defendant's devices that support IEEE 802.11n and/or IEEE 802.11ac and/or IEEE 802.11ax (e.g., CAP1300, CAP1750, WAP1750, CAP1200, IAP1200, WAP1200, CAP300, Office 1-2-3, OAP1300, OAP900, OAP1750, OAP1300 Office + 1, CAP1300 Office + 1, EW-7208APC (AC750), EW-7228AP (N150), EW-7228APn (N150 Indoor), EW-7238RPD (N300 Dual-Band), BR-6228nS V2 (N150), EW-7288APC (AC450), BR-6473AX (AX3000), RE11 (AC1200), RE11S (AC1200), RG21S (AC2600), RE23S (AC2600), BR-6476AC (AC1200), BR-6478AC V3 (AC1200), BR-6478AC V2 (AC1200), BR-6478AC (AC1200), BR-6208AC V2 (AC750), BR-6208ACD (AC750), BR-6208AC (AC750), BR-6288ACL (AC600), BR-6428ns V5 (N300), BR-6428nS V4 (N300), BR-6428ns V3 (N300), BR-6428ns V2 (N300), BR-6428ns + 9dBi (N300), BR-6428nC (N300), BR-6574n (N300), BR-6428ns (N300), BR-6228nS V3 (N150), BR-6258nL (N150), BR-6258n (N150), BR-6228nS (N150), BR-6228nC (N150), BR-6475nD (N300 Dual-Band), EW-7428HCn (N300), EW-7438AC (AC750 Dual-Band), BR-6288ACL V2 (AC600 Dual-Band), EW-7438PTn (N300), EW-7438RPn (N300), EW-7438RPn Air (N300), EW-7438RPn Mini (N300), EW-7438RPn V2 (N300), EW-7478AC (AC1200 Dual-Band), BR-6228nS V2 (N150 Indoor), EW-7478APC (AC1200), EW-7611UCB (AC600 Dual-Band), EW-7611ULB (N150), EW-7611ULB V2 (N150), EW-7612PIn V2 (N300), EW-7612UAn V2 (N300), EW-7711UAn (N150), EW-7711UAn V2 (N150), EW-7711USn (N150), EW-7722UTN V2 (N300), EW-7722UTn V3 (N300), EW-7811DAC (AC600 Dual-Band), EW-7811UAC (AC600 Dual-Band), EW-7811Un V2 (N150), EW-7811UTC (AC600 Dual-Band), EW-7822UAC (AC1200 Dual-Band), EW-7822UAD (AC1200 Dual-Band), EW-7822ULC (AC1200 Dual-Band), EW-7822UMX (AX1800), EW-7822UTC (AC1200 Dual-Band), EW-7833AXP (AX3000), EW-7833UAC (AC1750 Dual-Band), SP-1123WT, SP-1122WTO, SP-

2101 V2, SP-1101W V2, SP-2101 W, SP-1101W, WP-4500K (AC1200), IC-7113W, IC-7112W, IC-9110W V2, and IC-9110W) and other devices, as well as, their components, and processes related to the same. On information and belief, Edimax controls or otherwise directs and authorizes all activities of its U.S.-based sales subsidiaries, including ECC. Such directed and authorized activities include, the U.S.-based subsidiaries' using, offering for sale, selling, and/or importing the Accused Products, their components, and/or products containing the same that incorporate the fundamental technologies covered by the Asserted Patents. The Defendant's U.S.-based sales subsidiaries (e.g., ECC) are authorized to import, distribute, sell, or offer for sale the Accused Products on behalf of Defendant. For example, Edimax researches, designs, develops, and manufactures the Accused products, and then directs its U.S.-based sales subsidiaries to import, distribute, offer for sale, and sell the Accused Products in the United States. See, e.g., United States v. Hui Hsiung, 778 F.3d 738, 743 (9th Cir. 2015) (finding that the sale of infringing products to third parties rather than for direct import into the U.S. did not "place [defendants'] conduct beyond the reach of United States law [or] escape culpability under the rubric of extraterritoriality"). Furthermore, Defendant's U.S.-based sales subsidiaries also administer, on behalf of Defendant, requests for service for the Accused Products sold in the U.S., including in Texas and this judicial district. See, e.g., https://www.edimax.com/edimax/form/contact_us/data/edimax/us/contact_us/. Thus, Defendant's U.S.-based sales subsidiaries, including ECC, conduct infringing activities on behalf of Defendant.

23. On information and belief, Defendant's U.S.-based sales subsidiaries' corporate presence in the United States gives Edimax substantially the same business advantages that it would have enjoyed if it conducted its business through its own offices or paid agents in the state. Defendant's U.S.-based sales subsidiaries are authorized to import, distribute, sell, and offer for

sale Defendant's products, including Defendant's Accused Products, as well as their components and processes related to the same, on behalf of Defendant. For example, Defendant's U.S.-based sales subsidiaries operate within Defendant's global network of sales subsidiaries. In the U.S., including within the Eastern District of Texas, Defendant's Accused Products, as well as their components and processes related to the same, are imported, distributed, offered for sale, and/or sold.

- 24. Via Defendant's alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers maintaining a business presence, operating in, and/or residing in the U.S., Defendant's products, including products and processes accused of infringing the Asserted Patents, are or have been widely distributed and sold in retail stores, brick and mortar and/or online, in Texas including within this judicial district. *See Litecubes, LLC v. Northern Light Products, Inc.*, 523 F.3d 1353, 1369-70 (Fed. Cir. 2008) ("[T]he sale [for purposes of § 271] occurred at the location of the buyer."); *see also Semcon IP Inc. v. Kyocera Corp.*, No. 2:18-cv-00197-JRG, 2019 WL 1979930, at *3 (E.D. Tex. May 3, 2019) (denying accused infringer's motion to dismiss because plaintiff sufficiently plead that purchases of infringing products outside of the United States for importation into and sales to end users in the U.S. may constitute an offer to sell under § 271(a)). For example, Defendant's Accused Products are sold to end users by the U.S.-based subsidiaries, distributors, and customers, including, but not limited to, ECC, online and/or at retail stores located throughout the Eastern District of Texas.
- 25. On information and belief, Edimax has placed and continues to place infringing products and/or products that practice infringing processes into the stream of commerce via established distribution channels comprising at least subsidiaries and distributors, such as ECC, and customers such as Walmart and Amazon, with the knowledge and/or intent that those products

are and/or will be imported, used, offered for sale, sold, and continue to be sold in the United States and Texas, including in this judicial district. As a result, Edimax has, vicariously through and/or in concert with its alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers, placed the Accused Products into the stream of commerce via established distribution channels with the knowledge and/or intent that those products were sold and continue to be sold in the United States and Texas, including in this judicial district.

- 26. In the alternative, the Court has personal jurisdiction over Defendant under Federal Rule of Civil Procedure 4(k)(2), because the claims for patent infringement in this action arise under federal law, Defendant is not subject to the jurisdiction of the courts of general jurisdiction of any state, and exercising jurisdiction over Defendant is consistent with the U.S. Constitution.
- 27. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391 because, among other things, Defendant is not a resident in the United States, and thus may be sued in any judicial district, including this one, pursuant to 28 U.S.C. § 1391(c)(3). *See In re HTC Corp.*, 889 F.3d 1349, 1357 (Fed. Cir. 2018) ("The Court's recent decision in *TC Heartland* does not alter" the alien-venue rule.).

COUNT I

(INFRINGEMENT OF U.S. PATENT NO. 7,359,457)

- 28. Plaintiff incorporates paragraphs 1 through 27 herein by reference.
- 29. Redwood is the assignee of the '457 patent, entitled "Transmission Apparatus, Reception Apparatus and Digital Radio Communication Method," with ownership of all substantial rights in the '457 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

- 30. The '457 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '457 patent issued from U.S. Patent Application No. 10/827,445.
- 31. Edimax has and continues to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '457 patent in this judicial district and elsewhere in Texas and the United States.
- 32. Edimax directly infringes the '457 patent via 35 U.S.C. § 271(a) by making, offering for sale, using, testing, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '457 patent. For example, Edimax directly infringes the '457 patent by offering for sale, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '457 patent, to its alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, on information and belief, Edimax sells and makes the Accused Products outside of the United States, delivers those products to its customers, distributors, and/or subsidiaries in the United States, or in the case that it delivers the Accused Products outside of the United States it does so intending and/or knowing that those products are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '457 patent. See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc., 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Edimax directly infringes the '457 patent through its direct involvement in the activities of its subsidiaries, including ECC, including by selling and offering for sale the Accused Products directly to such subsidiaries and importing the Accused Products into the United States for such

subsidiaries. Such subsidiaries conduct activities that constitute direct infringement of the '457 patent under 35 U.S.C. § 271(a) by making, using, testing, offering for sale, selling, and/or importing those Accused Products. On information and belief, Edimax offers for sale, sells, and imports the Accused Products within the U.S. to, for example, its distributors, customers, subsidiaries, importers, and/or consumers. Further, Edimax is vicariously liable for this infringing conduct of its U.S.-based sales subsidiaries, e.g., ECC, (under both the alter ego and agency theories) because, as an example and on information and belief, Edimax and ECC are essentially the same company, and Edimax has the right and ability to control its subsidiaries infringing acts and receives a direct financial benefit from the infringement of its U.S.-based sales subsidiaries, e.g., ECC.

- 33. For example, Edimax infringes claim 1 of the '457 patent via the Accused Products.

 The Accused Products each comprise a transmission apparatus of claim 1.
- 34. The Accused Products each comprise circuitry and/or components (hardware and/or software) that determine a modulation system from among a plurality of modulation systems based on a communication situation. For example, the Accused Products utilize a Modulation and Coding Scheme (MCS) value that is used to determine the modulation, coding, and number of spatial channels based on information associated with a channel quality assessment. *See, e.g.*, Sections 19.3.5 and 19.3.13.4 of Part 11: Wireless LAN Medium Access Control (MAC) and Physical (PHY) Specifications of IEEE Std 802.11™ -2016 ("IEEE 802.11 2016"). Based on the results of the channel quality assessment, an appropriate MCS value is selected from a plurality of MCS values for transmissions sent by the Accused Products. *See, e.g.*, Section 19.3.5 and Table 19-27 of IEEE 802.11 2016.

- 35. The Accused Products each comprise circuitry and/or components (hardware and/or software) that modulate a digital transmission signal according to the modulation system previously determined and generates a first symbol. The first symbol comprises a first quadrature baseband signal. For example, the Accused Products generate a first data symbol (e.g., data), comprising a first quadrature baseband signal, that is modulated according to the MCS value. *See*, *e.g.*, Section 19.3.5 and Figure 19-22 of IEEE 802.11 2016.
- 36. The Accused Products each comprise circuitry and/or components (hardware and/or software) that modulates the digital signal according to a predetermined modulation system and generates a second symbol. The second symbol comprises a second quadrature baseband signal. For example, the Accused Products generate a second data symbol (e.g., the HT-SIG), comprising a second quadrature baseband signal, that is modulated according to a predetermined modulation system (e.g., QBPSK). *See, e.g.*, Section 19.3.9.4.3 and Figure 19-22 of IEEE 802.11 2016.
- 37. The technology discussion above and the exemplary Accused Products provide context for Plaintiff's infringement allegations.
- 38. At a minimum, Edimax has known of the '457 patent at least as early as the filing date of the complaint. In addition, Edimax has known about the '457 patent since at least November 8, 2021, when Edimax received notice of its infringement via a letter. Furthermore, Edimax has known about the '457 patent since at least May 19, 2022, when Edimax received notice of its infringement via a second letter.
- 39. On information and belief, since at least the above-mentioned date when Edimax was on notice of its infringement, Edimax has actively induced, under U.S.C. § 271(b), its distributors, customers, subsidiaries, importers, and/or consumers that import, use, purchase, offer

to sell, or sell the Accused Products comprising all of the limitations of one or more claims of the '457 patent to directly infringe one or more claims of the '457 patent by using, offering for sale, selling, and/or importing the Accused Products. Since at least the notice provided on the above-mentioned date, Edimax does so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '457 patent. Edimax intends to cause, and has taken affirmative steps to induce infringement by its distributors, importers, customers, subsidiaries, and/or consumers by at least, inter alia, creating advertisements that promote the infringing use of the Accused Products, creating and/or maintaining established distribution channels for the Accused Products into and within the United States, manufacturing the Accused Products in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, testing and certifying features related to infringing features in the Accused Products, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States.

- 40. On information and belief, despite having knowledge of the '457 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '457 patent, Edimax has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement. Edimax's infringing activities relative to the '457 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.
- 41. Redwood has been damaged as a result of Edimax's infringing conduct described in this Count. Edimax is, thus, liable to Redwood in an amount that adequately compensates

Redwood for Edimax's infringements, 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.

COUNT II

(INFRINGEMENT OF U.S. PATENT NO. 7,917,102)

- 42. Plaintiff incorporates paragraphs 1 through 41 herein by reference.
- 43. Redwood is the assignee of the '102 patent, entitled "Radio Transmitting Apparatus and Radio Transmission Method," with ownership of all substantial rights in the '102 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.
- 44. The '102 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '102 patent issued from U.S. Patent Application No. 11/937,422.
- 45. Edimax has and continues to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '102 patent in this judicial district and elsewhere in Texas and the United States.
- 46. Edimax directly infringes the '102 patent via 35 U.S.C. § 271(a) by making, offering for sale, using, testing, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '102 patent. For example, Edimax directly infringes the '102 patent by offering for sale, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '102 patent, to its alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, on information and belief, Edimax sells and makes the Accused Products outside of the United States, delivers those products to its

customers, distributors, and/or subsidiaries in the United States, or in the case that it delivers the Accused Products outside of the United States it does so intending and/or knowing that those products are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '102 patent. See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc., 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Edimax directly infringes the '102 patent through its direct involvement in the activities of its subsidiaries, including ECC, including by selling and offering for sale the Accused Products directly to such subsidiaries and importing the Accused Products into the United States for such subsidiaries. Such subsidiaries conduct activities that constitute direct infringement of the '102 patent under 35 U.S.C. § 271(a) by making, using, testing, offering for sale, selling, and/or importing those Accused Products. On information and belief, Edimax offers for sale, sells, and imports the Accused Products within the U.S. to, for example, its distributors, customers, subsidiaries, importers, and/or consumers. Further, Edimax is vicariously liable for this infringing conduct of its U.S.-based sales subsidiaries, e.g., ECC, (under both the alter ego and agency theories) because, as an example and on information and belief, Edimax and ECC are essentially the same company, and Edimax has the right and ability to control its subsidiaries infringing acts and receives a direct financial benefit from the infringement of its U.S.-based sales subsidiaries, e.g., ECC.

- 47. For example, Edimax infringes claim 3 of the '102 patent via the Accused Products. Each of the Accused Products comprise a radio transmitting apparatus that transmits a modulated signal.
- 48. The Accused Products each comprise circuitry and/or components (hardware and/or software) that forms a transmission frame which includes a frequency offset estimation

signal for estimating frequency offset of the modulated signal at a receiving apparatus, a channel fluctuation estimation signal for estimating channel fluctuation of the modulated signal at the receiving apparatus and a gain control signal for performing gain control of the modulated signal at the receiving apparatus. *See, e.g.*, Section 19.1.4 of IEEE 802.11 2016. For example, the Accused Products each form a HT-mixed format PPDU frame, which comprises an L-LTF subframe, which is a frequency offset estimation signal. *See, e.g.*, Figure 17-4 of IEEE 802.11 2016. The HT-mixed format PPDU frame also comprises an HT-LTF subframe, which is a channel fluctuation estimation signal. *See, e.g.*, Section 19.3.9.4.6 of IEEE 802.11 2016. The HT-mixed format PPDU frame also comprises an L-STF subframe, which is a gain control signal. *See, e.g.*, Section 19.3.9.3.3 of IEEE 802.11 2016.

- 49. The Accused Products each comprise circuitry and/or components (hardware and/or software) that transmits the transmission frame. *See, e.g.*, Figure 19-2 of IEEE 802.11 2016. The transmission frame includes a first gain control signal and a second gain control signal. For example, the HT-mixed format PPDU comprises a first gain control signal in the L-STF subframe and a second gain control signal in the HT-STF subframe. *See, e.g.*, Sections 19.3.9.3.3 and 19.3.9.4.5 of IEEE 802.11 2016. The first gain control signal is arranged prior to the frequency offset estimation signal. For example, the L-STF subframe is arranged prior to the L-LTF subframe. *See, e.g.*, Section 19.1.4 of IEEE 802.11 2016. The second gain control is arranged subsequent to the frequency offset estimation signal and prior to the channel fluctuation estimation signal. For example, the HT-STF subframe is arranged subsequent to the L-LTF subframe and prior to the HT-LTF subframe. *See, e.g.*, Section 19.1.4 of IEEE 802.11 2016.
- 50. The technology discussion above and the exemplary Accused Products provide context for Plaintiff's infringement allegations.

- 51. At a minimum, Edimax has known of the '102 patent at least as early as the filing date of the complaint. In addition, Edimax has known about the '102 patent since at least November 8, 2021, when Edimax received notice of its infringement via a letter. Furthermore, Edimax has known about the '102 patent since at least May 19, 2022, when Edimax received notice of its infringement via a second letter.
- On information and belief, since at least the above-mentioned date when Edimax 52. was on notice of its infringement, Edimax has actively induced, under U.S.C. § 271(b), its distributors, customers, subsidiaries, importers, and/or consumers that import, use, purchase, offer to sell, or sell the Accused Products comprising all of the limitations of one or more claims of the '102 patent to directly infringe one or more claims of the '102 patent by using, offering for sale, selling, and/or importing the Accused Products. Since at least the notice provided on the abovementioned date, Edimax does so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '102 patent. Edimax intends to cause, and has taken affirmative steps to induce infringement by its distributors, importers, customers, subsidiaries, and/or consumers by at least, inter alia, creating advertisements that promote the infringing use of the Accused Products, creating and/or maintaining established distribution channels for the Accused Products into and within the United States, manufacturing the Accused Products in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, testing and certifying features related to infringing features in the Accused Products, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States.
- 53. On information and belief, despite having knowledge of the '102 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '102 patent,

Edimax has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement. Edimax's infringing activities relative to the '102 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.

54. Redwood has been damaged as a result of Edimax's infringing conduct described in this Count. Edimax is, thus, liable to Redwood in an amount that adequately compensates Redwood for Edimax's infringements, 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.

COUNT III

(INFRINGEMENT OF U.S. PATENT NO. 7,983,140)

- 55. Plaintiff incorporates paragraphs 1 through 54 herein by reference.
- 56. Redwood is the assignee of the '140 patent, entitled "Transmitting Apparatus, Receiving Apparatus, and Communication System for Formatting Data," with ownership of all substantial rights in the '140 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.
- 57. The '140 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '140 patent issued from U.S. Patent Application No. 11/004,256.
- 58. Edimax has and continues to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '140 patent in this judicial district and elsewhere in Texas and the United States.

59. Edimax directly infringes the '140 patent via 35 U.S.C. § 271(a) by making, offering for sale, using, testing, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '140 patent. For example, Edimax directly infringes the '140 patent by offering for sale, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '140 patent, to its alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, on information and belief, Edimax sells and makes the Accused Products outside of the United States, delivers those products to its customers, distributors, and/or subsidiaries in the United States, or in the case that it delivers the Accused Products outside of the United States it does so intending and/or knowing that those products are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '140 patent. See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc., 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Edimax directly infringes the '140 patent through its direct involvement in the activities of its subsidiaries, including ECC, including by selling and offering for sale the Accused Products directly to such subsidiaries and importing the Accused Products into the United States for such subsidiaries. Such subsidiaries conduct activities that constitute direct infringement of the '140 patent under 35 U.S.C. § 271(a) by making, using, testing, offering for sale, selling, and/or importing those Accused Products. On information and belief, Edimax offers for sale, sells, and imports the Accused Products within the U.S. to, for example, its distributors, customers, subsidiaries, importers, and/or consumers. Further, Edimax is vicariously liable for this infringing conduct of its U.S.-based sales subsidiaries, e.g., ECC, (under both the alter ego and agency

theories) because, as an example and on information and belief, Edimax and ECC are essentially the same company, and Edimax has the right and ability to control its subsidiaries infringing acts and receives a direct financial benefit from the infringement of its U.S.-based sales subsidiaries, e.g., ECC.

- 60. For example, Edimax infringes claim 1 of the '140 patent via the Accused Products. The Accused Products comprise a transmitting apparatus, in an orthogonal frequency division multiplexing communication system. *See, e.g.*, Sections 17.3.8.2 and 19.1.1 of IEEE 802.11 2016.
- 61. The Accused Products each comprise circuitry and/or components (hardware and/or software) for converting a transmission signal into a transmission time slot. *See, e.g.*, Section 17.3.8.2 of IEEE 802.11 2016. For example, the Accused Products convert PSDUs into PPDUs. *See, e.g.*, Sections 17.3.1 and 17.3.2.1 of IEEE 802.11 2016.
- 62. The Accused Products each comprise circuitry and/or components (hardware and/or software) for generating a frame that includes a series of n (greater than 1) time slots and a frame guard period added to the series of n time slots, where each time slot includes an effective symbol period and guard period added to the effective symbol period, where the length of the series of n time slots is less than the length of the frame. For example, each of the Accused Products generates a PPDU frame that comprises a series of time slots associated with the signal and data OFDM symbols. *See, e.g.*, Figures 17-1 and 17-4 of IEEE 802.11 2016. Each of the Accused Products generates cyclic shifts that are added to the series of n time slots. *See, e.g.*, Sections 19.3.4 and 19.3.9.3.2 of IEEE 802.11 2016. Each time slot in the PPDU frame comprises an effective symbol period, and a guard period is added at the start of each effective symbol period. *See, e.g.*, Table 19-6 and Figure 17-4 of IEEE 802.11 2016. Further, the length of the series of n time slots is less than the total length of the PPDU frame. *See, e.g.*, Figure 17-4 of IEEE 802.11 2016.

- 63. The Accused Products each comprise circuitry and/or components (hardware and/or software) for transmitting the generated frame as a radio signal. *See, e.g.*, Section 17.3.8.2 of IEEE 802.11 2016.
- 64. The technology discussion above and the exemplary Accused Products provide context for Plaintiff's infringement allegations.
- 65. At a minimum, Edimax has known of the '140 patent at least as early as the filing date of the complaint. In addition, Edimax has known about the '140 patent since at least November 8, 2021, when Edimax received notice of its infringement via a letter. Furthermore, Edimax has known about the '140 patent since at least May 19, 2022, when Edimax received notice of its infringement via a second letter.
- on notice of its infringement, Edimax has actively induced, under U.S.C. § 271(b), its distributors, customers, subsidiaries, importers, and/or consumers that import, use, purchase, offer to sell, or sell the Accused Products comprising all of the limitations of one or more claims of the '140 patent to directly infringe one or more claims of the '140 patent by using, offering for sale, selling, and/or importing the Accused Products. Since at least the notice provided on the abovementioned date, Edimax does so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '140 patent. Edimax intends to cause, and has taken affirmative steps to induce infringement by its distributors, importers, customers, subsidiaries, and/or consumers by at least, inter alia, creating advertisements that promote the infringing use of the Accused Products, creating and/or maintaining established distribution channels for the Accused Products into and within the United States, manufacturing the Accused Products in conformity with U.S. laws and regulations, distributing or making available instructions or

manuals for these products to purchasers and prospective buyers, testing and certifying features related to infringing features in the Accused Products, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States.

- 67. On information and belief, despite having knowledge of the '140 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '140 patent, Edimax has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement. Edimax's infringing activities relative to the '140 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.
- 68. Redwood has been damaged as a result of Edimax's infringing conduct described in this Count. Edimax is, thus, liable to Redwood in an amount that adequately compensates Redwood for Edimax's infringements, 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.

COUNT IV

(INFRINGEMENT OF U.S. PATENT NO. 10,498,571)

- 69. Plaintiff incorporates paragraphs 1 through 68 herein by reference.
- 70. Redwood is the assignee of the '571 patent, entitled "Transmission Apparatus, Reception Apparatus and Digital Radio Communication Method," with ownership of all substantial rights in the '571 patent, including the right to exclude others and to enforce, sue, and recover damages for past and future infringements.

- 71. The '571 patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code. The '571 patent issued from U.S. Patent Application No. 16/361,363.
- 72. Edimax has and continues to directly and/or indirectly infringe (by inducing infringement) one or more claims of the '571 patent in this judicial district and elsewhere in Texas and the United States.
- Edimax directly infringes the '571 patent via 35 U.S.C. § 271(a) by making, 73. offering for sale, using, testing, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '571 patent. For example, Edimax directly infringes the '571 patent by offering for sale, selling, and/or importing those Accused Products, their components and processes, and/or products containing the same that incorporate the fundamental technologies covered by the '571 patent, to its alter egos, agents, intermediaries, distributors, importers, customers, subsidiaries, and/or consumers. Furthermore, on information and belief, Edimax sells and makes the Accused Products outside of the United States, delivers those products to its customers, distributors, and/or subsidiaries in the United States, or in the case that it delivers the Accused Products outside of the United States it does so intending and/or knowing that those products are destined for the United States and/or designing those products for sale in the United States, thereby directly infringing the '571 patent. See, e.g., Lake Cherokee Hard Drive Techs., L.L.C. v. Marvell Semiconductor, Inc., 964 F. Supp. 2d 653, 658 (E.D. Tex. 2013). Furthermore, Edimax directly infringes the '571 patent through its direct involvement in the activities of its subsidiaries, including ECC, including by selling and offering for sale the Accused Products directly to such subsidiaries and importing the Accused Products into the United States for such

subsidiaries. Such subsidiaries conduct activities that constitute direct infringement of the '571 patent under 35 U.S.C. § 271(a) by making, using, testing, offering for sale, selling, and/or importing those Accused Products. On information and belief, Edimax offers for sale, sells, and imports the Accused Products within the U.S. to, for example, its distributors, customers, subsidiaries, importers, and/or consumers. Further, Edimax is vicariously liable for this infringing conduct of its U.S.-based sales subsidiaries, e.g., ECC, (under both the alter ego and agency theories) because, as an example and on information and belief, Edimax and ECC are essentially the same company, and Edimax has the right and ability to control its subsidiaries infringing acts and receives a direct financial benefit from the infringement of its U.S.-based sales subsidiaries, e.g., ECC.

- 74. For example, Edimax infringes claim 8 of the '571 patent via the Accused Products. The Accused Products perform a digital radio communication method. *See, e.g.*, Figure 19-2 of IEEE 802.11 2016.
- 75. The Accused Products each select a first modulation scheme from a plurality of modulation schemes based on a communication situation. For example, each of the Accused Products utilize a Modulation and Coding Scheme (MCS) value that is used to determine the modulation, coding, and number of spatial channels based on information associated with a channel quality assessment. *See, e.g.*, Sections 19.3.5 and 19.3.13.4 of IEEE 802.11 2016. Based on the results of the channel quality assessment, an appropriate MCS value is selected from a plurality of MCS values for transmissions sent by the Accused Products. *See, e.g.*, Section 19.3.5 and Table 19-27 of IEEE 802.11 2016.
- 76. The Accused Products each generate a first symbol using the selected first modulation scheme, where the first symbol comprises a first quadrature baseband signal. For

example, each of the Accused Products generate a first data symbol (e.g., data), comprising a first quadrature baseband signal, that is modulated according to the MCS value. *See, e.g.*, Section 19.3.5 and Figure 19-22 of IEEE 802.11 2016.

- The Accused Products each generate a second symbol comprising a pilot symbol using a phase shift keying (PSK) modulation scheme, where the second symbol comprises a second quadrature baseband signal. For example, each of the Accused Products generate a second data symbol (e.g., the HT-SIG), comprising a second quadrature baseband signal, that is modulated according to a predetermined modulation system (e.g., QBPSK). *See, e.g.*, Section 19.3.9.4.3 and Figure 19-22 of IEEE 802.11 2016.
- 78. The Accused Products each transmit a data signal comprising the first symbol and second symbol. For example, each of the Accused Products transmit an HT-mixed format PPDU signal comprising a data symbol and an HT-SIG symbol. *See, e.g.*, Figure 19-22 of IEEE 802.11 2016.
- 79. The technology discussion above and the exemplary Accused Products provide context for Plaintiff's infringement allegations.
- 80. At a minimum, Edimax has known of the '571 patent at least as early as the filing date of the complaint. In addition, Edimax has known about the '571 patent since at least November 8, 2021, when Edimax received notice of its infringement via a letter and list of relevant patents. Furthermore, Edimax has known about the '571 patent since at least May 19, 2022, when Edimax received notice of its infringement via a second letter.
- 81. On information and belief, since at least the above-mentioned date when Edimax was on notice of its infringement, Edimax has actively induced, under U.S.C. § 271(b), its distributors, customers, testing outfits, subsidiaries, and/or consumers that use the Accused

Products comprising all of the limitations of one or more claims of the '571 patent to directly infringe one or more claims of the '571 patent by using the Accused Products. Since at least the notice provided on the above-mentioned date, Edimax does so with knowledge, or with willful blindness of the fact, that the induced acts constitute infringement of the '571 patent. Edimax intends to cause, and has taken affirmative steps to induce infringement by its distributors, importers, customers, testing outfits, subsidiaries, and/or consumers by at least, inter alia, creating advertisements that promote the infringing use of the Accused Products, creating and/or maintaining established distribution channels for the Accused Products into and within the United States, manufacturing the Accused Products in conformity with U.S. laws and regulations, distributing or making available instructions or manuals for these products to purchasers and prospective buyers, testing and certifying features related to infringing features in the Accused Products, and/or providing technical support, replacement parts, or services for these products to these purchasers in the United States.

- 82. On information and belief, despite having knowledge of the '571 patent and knowledge that it is directly and/or indirectly infringing one or more claims of the '571 patent, Edimax has nevertheless continued its infringing conduct and disregarded an objectively high likelihood of infringement. Edimax's infringing activities relative to the '571 patent have been, and continue to be, willful, wanton, malicious, in bad-faith, deliberate, consciously wrongful, flagrant, characteristic of a pirate, and an egregious case of misconduct beyond typical infringement such that Plaintiff is entitled under 35 U.S.C. § 284 to enhanced damages up to three times the amount found or assessed.
- 83. Redwood has been damaged as a result of Edimax's infringing conduct described in this Count. Edimax is, thus, liable to Redwood in an amount that adequately compensates

Redwood for Edimax's infringements, 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.

CONCLUSION

- 84. Plaintiff Redwood is entitled to recover from Edimax the damages sustained by Plaintiff as a result of Edimax's wrongful acts, and willful infringement, in an amount subject to proof at trial, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court.
- 85. Plaintiff has incurred and will incur attorneys' fees, costs, and expenses in the prosecution of this action. The circumstances of this dispute may give rise to an exceptional case within the meaning of 35 U.S.C. § 285, and Plaintiff is entitled to recover its reasonable and necessary attorneys' fees, costs, and expenses.

JURY DEMAND

86. Plaintiff hereby requests a trial by jury pursuant to Rule 38 of the Federal Rules of Civil Procedure.

PRAYER FOR RELIEF

- 87. Plaintiff respectfully requests that the Court find in its favor and against Edimax, and that the Court grant Plaintiff the following relief:
 - 1. A judgment that Edimax has infringed the Asserted Patents as alleged herein, directly and/or indirectly by way of inducing infringement of such patents;
 - 2. A judgment for an accounting of all damages sustained by Plaintiff as a result of the acts of infringement by Edimax;

- 3. A judgment and order requiring Edimax to pay Plaintiff damages under 35 U.S.C. § 284, including up to treble damages as provided by 35 U.S.C. § 284, and any royalties determined to be appropriate;
- 4. A judgment and order requiring Edimax to pay Plaintiff pre-judgment and post-judgment interest on the damages awarded;
- 5. A judgment and order finding this to be an exceptional case and requiring Edimax to pay the costs of this action (including all disbursements) and attorneys' fees as provided by 35 U.S.C. § 285; and
- 6. Such other and further relief as the Court deems just and equitable.

Dated: June 16, 2022

Respectfully submitted,

/s/ Patrick J. Conroy

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