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Attorneys for Plaintiffs

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

BESTWAY (USA), INC., AND
BESTWAY INFLATABLES &
MATERIAL CORP.,

Plaintiffs,

v.

INTEX RECREATION CORP., INTEX
DEVELOPMENT COMPANY LTD.,
INTEX MARKETING LTD., AND
INTEX INDUSTRIES (XIAMEN) CO.,
LTD.,

Defendants.

Case No.: 2:22-cv-00406-AB-AGR

**FIRST AMENDED COMPLAINT
FOR PATENT INFRINGEMENT**

DEMAND FOR JURY TRIAL

Plaintiffs Bestway (USA), Inc. (“Bestway USA”) and Bestway Inflatables & Material Corp. (“Bestway Inflatables”)(collectively, “Bestway”) bring this patent infringement action against Defendants Intex Recreation Corp. (“IRC”), Intex Development Company Ltd. (“IDC”), Intex Marketing Ltd. (“IML”) and Intex

1 Industries (Xiamen) Co., Ltd. (“Intex Xiamen”) (collectively, “Defendants” or
2 “Intex”) in connection with Intex’s manufacture, sale, offer for sale, and importation
3 of air beds covered by one or more claims of U.S. Patent No. 10,687,633 (“the ‘633
4 Patent”), including but not limited to the Intex first-generation Dream Lux Pillow-
5 Top Airbed Mattress with Internal Pump (“Accused Airbed”) as shown in the claim
6 chart attached to Intex’s Notice of Intent to File Lawsuit Letter (“Notice Letter”). A
7 true and accurate copy of the Notice Letter is attached hereto as **Exhibit A**. Bestway
8 hereby complains and alleges against Intex as follows:

9 **THE PARTIES**

10 1. Plaintiff Bestway (USA), Inc., is a corporation organized and existing
11 under the laws of the State of Arizona, having a principal place of business at 3411
12 East Harbour Drive, Phoenix, Arizona.

13 2. Plaintiff Bestway Inflatables & Material Corp. is a company organized
14 under the laws of the People’s Republic of China, having a principal place of
15 business at No. 208 Jin Yuan Wu Road, Shanghai, China, 201812.

16 3. Bestway Inflatables is in the business of manufacturing and selling
17 inflatable products, including inflatable airbeds. Bestway USA is in the business of
18 offering to sell and selling inflatable products manufactured by Bestway Inflatables,
19 including inflatable airbeds.

20 4. On information and belief, Defendant Intex Recreation Corp. is a
21 corporation organized and existing under the laws of the State of California, having
22 a principal place of business at 4001 Via Oro Avenue, Suite 210, Long Beach,
23 California.

24 5. On information and belief, Defendant IRC is also registered to do
25 business in the State of California.

26 6. On information and belief, Defendant Intex Development Company
27 Ltd. is a private limited company organized under the laws of Hong Kong SAR,
28

1 China and is based in Hong Kong at 9/F Everbright Centre, 108 Gloucester Road,
2 WanChai, Hong Kong SAR, China.

3 7. On information and belief, Defendant Intex Marketing Ltd. is a
4 corporation organized and existing under the laws of the British Virgin Islands,
5 having a principal place of business at 4001 Via Oro, Suite 210, Long Beach,
6 California.

7 8. On information and belief, Defendant Intex Industries (Xiamen) Co.,
8 Ltd. is a company organized under the laws of the People's Republic of China,
9 having a principal place of business at 858 Wengjiao Road, Xinyang Industrial Zone,
10 Haicang District, Xiamen, Fujian, China.

11 **JURISDICTION AND VENUE**

12 9. Bestway re-alleges and incorporates by reference the preceding
13 paragraphs as if fully set forth herein.

14 10. This is an action for patent infringement of the '633 Patent arising under
15 the Patent Laws of the United States, 35 U.S.C. §§ 1, *et seq.*, including 35 U.S.C. §
16 271. This Court has exclusive subject matter jurisdiction over this action pursuant to
17 28 U.S.C. §§ 1331 and 1338(a).

18 11. This Court has personal jurisdiction over Defendant IRC because, on
19 information and belief, IRC is a California corporation that regularly engages in
20 business in this judicial district, regularly solicits business in the judicial district, and
21 derives substantial revenue from goods sold and used in this judicial district. IRC's
22 Accused Airbed is or was available, and is or was being offered for sale and sold,
23 via the internet on at least Amazon.com and in Walmart stores, including to
24 customers located within this judicial district.

25 12. On information and belief, IRC operates several facilities, including a
26 warehouse, distribution center, and offices for sales, marketing, and administrative
27 employees and executives in this District, and such facilities and operations are used
28

1 in part to support the importation, marketing, sales, distribution, and customer
2 support for Intex airbed products, including the Accused Airbed.

3 13. Specifically, on information and belief, IRC purchases and imports the
4 Accused Airbed from IDC for the purpose of reselling to domestic customers in this
5 District, such as Walmart.

6 14. This Court has personal jurisdiction over IDC because, on information
7 and belief, Intex regularly engages in business in this District, regularly solicits
8 business in this District, and derives substantial revenue from goods sold and used
9 in this District. IDC's Accused Airbed is or was available, and is or was being
10 offered for sale and sold, via the internet on at least Amazon.com and in Walmart
11 stores, including to customers located within this District.

12 15. On information and belief, IDC imports airbeds into the United States
13 that are subsequently offered for sale and sold in the United States, including the
14 Accused Airbed. Specifically, upon information and belief, IDC purchases the
15 Accused Airbed from Intex Xiamen and then resells it to retailers and wholesalers
16 in this District, such as Walmart and IRC.

17 16. This Court has personal jurisdiction over IML because, on information
18 and belief, Intex regularly engages in business in this District, regularly solicits
19 business in this District, and derives substantial revenue from goods sold and used
20 in this District. IML's Accused Airbed is or was available, and is or was being
21 offered for sale and sold, via the internet on at least Amazon.com and in Walmart
22 stores, including to customers located within this District.

23 17. On information and belief, IML imports airbeds into the United States
24 that are subsequently offered for sale and sold in the United States, including the
25 Accused Airbed. Specifically, upon information and belief, IML purchases the
26 Accused Airbed from Intex Xiamen and then resells it to retailers and wholesalers
27 in this District, such as Walmart and IRC.

1 18. Upon information and belief, Intex Xiamen has no principal place of
2 business in the United States.

3 19. This Court has personal jurisdiction over Intex Xiamen because, on
4 information and belief, Intex Xiamen regularly engages in business in this judicial
5 district, regularly solicits business in this judicial district, and derives substantial
6 revenue from goods sold and used in this judicial district.

7 20. Intex Xiamen's Accused Airbed is or was available, and is or was being
8 offered for sale and sold, via the internet on at least Amazon.com and in Walmart
9 stores, including to customers located within this District.

10 21. On information and belief, Intex Xiamen manufactures airbeds,
11 including the Accused Airbed, and Intex Xiamen sells the Accused Airbed to IDC.
12 Intex Xiamen directly or through intermediaries (including distributors, retailers,
13 and others), subsidiaries, alter egos and/or agents, has made, used, offered for sale,
14 sold and/or imported into the United States, including to customers in this District,
15 the Accused Airbed.

16 22. Intex Xiamen, directly or through intermediaries (including
17 distributors, retailers and others), subsidiaries, alter egos and/or agents, imports into
18 the United States or offers to sell, sells or uses within the United States the Accused
19 Airbed.

20 23. Intex Xiamen has purposefully and voluntarily placed one or more
21 Accused Airbeds into the stream of commerce with the awareness and/or intent that
22 it will be purchased by customers in this District.

23 24. Intex Xiamen knowingly and purposefully ships the Accused Airbed
24 into and within this District through an established distribution channel.

25 25. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391 and
26 1400(b).

FACTUAL BACKGROUND

26. Bestway re-alleges and incorporates by reference the preceding paragraphs as if fully set forth herein.

The ‘633 Patent

27. On June 23, 2020, the United States Patent and Trademark Office (“PTO”) issued the ‘633 Patent, which is entitled “Inflatable Bed.” The inventor listed on the ‘633 Patent is Feng Liu, and the assignee listed on the ‘633 Patent is Bestway Inflatables & Material Corp. A true and accurate copy of the ‘633 Patent is attached hereto as **Exhibit B**.

28. Bestway Inflatables is the assignee of and owns all rights, title and interest in and to the ‘633 Patent, including the right to sue for any infringement thereof, as reflected by the Assignment recorded in the Patent Office at the following Reel/Frame 039898/0983. A true and accurate copy of the Assignment is attached hereto as **Exhibit C**.

Intex’s Accused Airbeds

29. On information and belief, Intex is infringing the ‘633 Patent directly, jointly, contributorily and/or by inducement by, without authority from Bestway, making, using, importing, selling, or offering for sale in the United States, including in this District, the Accused Airbed, which embodies the inventions claimed in the ‘633 Patent.

30. Specifically, on information and belief, Intex is infringing the ‘633 Patent by making, using, selling, offering for sale, and/or importing into the United States the Accused Airbed, including, but not limited to, specifically the Intex first-generation Dream Lux Pillow Top Airbed Mattress with Internal Pump as shown in the claim chart attached as Exhibit A. In addition to the Accused Airbed, Intex’s Dura-Beam Pillow Top Air Mattress with Built-in Pump (“Product No. 64753”) also appears to infringe the ‘633 Patent.

1 31. The Accused Airbed is or was available, and is or was being offered for
2 sale and sold at least at Wal-Mart stores in this District and online at: Walmart.com,
3 Amazon.com, eBay.com, Sears.com, Target.com, AceHardware.com, QVC.com,
4 and VMInnovations.com.

5 **Intex's Willful Infringement**

6 32. Intex's infringement has been, and continues to be, willful and
7 deliberate.

8 33. On information and belief, Intex actively monitors the airbed industry
9 and competitive intellectual property.

10 34. On information and belief, when Intex began to make, use, sell, offer
11 to sell, and/or import the Accused Airbed into the United States, Intex knew of the
12 '633 Patent and knew that the Accused Airbed practiced the '633 Patent.

13 35. Specifically, Intex had knowledge that the Accused Airbed practiced
14 the '633 Patent as early as June 17, 2019 when Intex filed an opposition against
15 Bestway's corresponding patent application with the European Patent Office,
16 Application No. 16191360.3-1011. A true and accurate copy of the Opposition is
17 attached hereto as **Exhibit D**.

18 36. Moreover, Intex has been on notice that at least the Accused Airbed
19 infringes the claims of the '633 Patent since June 21, 2021. Specifically, Bestway
20 provided Intex its Notice Letter on June 21, 2021, which was sent pursuant to a
21 Standstill Agreement entered into between Intex and Bestway on May 21, 2018.

22 37. Claim charts outlining Intex's infringement of the '633 Patent via the
23 Accused Airbed are also attached to the Notice Letter. (*See* Exhibit A).

24 38. With knowledge of the '633 Patent and its infringing conduct, upon
25 information and belief, Intex continues to make, use, sell, offer to sell, and/or import
26 the Accused Airbed and/or import into the United States or offer to sell, sell, or use
27 within the United States the Accused Airbed.
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1 least one of said side walls, at least two outside edges of said
2 support structure being respectively coupled to the side wall
3 adjacent, at least one inside edge of said support structure being
4 coupled to the top sheet or bottom sheet adjacent;

5 e. wherein said support structure comprises a second tensioning
6 structure and a third tensioning structure, at least two outside
7 edges of said second tensioning structure are respectively
8 coupled to said at least one side wall, at least one inside edge of
9 said second tensioning structure is coupled to said top sheet; and

10 f. wherein at least two outside edges of said third tensioning
11 structure are respectively coupled to said at least one side wall,
12 at least one inside edge of said third tensioning structure is
13 coupled to said bottom sheet.

14 43. Intex directly infringes at least Claim 3 of the '633 Patent, for example,
15 because the Accused Airbed is an inflatable bed according to Claim 1 of the '633
16 Patent, wherein said second tensioning structure and said third tensioning structure
17 are disposed at an interval.

18 44. Intex directly infringes at least Claim 17 of the '633 Patent, for
19 example, because the Accused Airbed is an inflatable bed according to Claim 1 of
20 the '633 Patent, wherein a location where said top sheet is located in the inside part
21 of an upper edge of said second tensioning structure is lower than the location where
22 said top sheet is located in the outside part of the upper edge of said second
23 tensioning structure.

24 45. Intex directly infringes at least Claim 19 of the '633 Patent, for
25 example, because the Accused Airbed is an inflatable bed according to Claim 1 of
26 the '633 Patent, wherein said inflatable bed further comprises a built-in air pump,
27 which is disposed on said side wall and is located between a lower edge of said
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1 second tensioning structure and an upper edge of said third tensioning structure for
2 inflating said air chamber.

3 46. Bestway also incorporates by reference the infringement analysis
4 contained and set forth in Exhibit A as if set forth fully herein.

5 47. On information and belief, at least one of the Defendants has
6 contributed to the infringement of and continues to contributorily infringe one or
7 more claims of the '633 Patent, by making, using, offering to sell, selling and/or
8 infringing, in this District and elsewhere in the United States, a material or apparatus
9 that is a component for use in practicing at least Claims 1, 3, 17, and 19 of the '633
10 Patent. On information and belief, Intex does so with knowledge that the component
11 was especially made or adapted for use in a manner that would infringe at least
12 Claims 1, 3, 17, and 19 of the '633 Patent when Intex sold, offered to sell, or
13 imported the component. On information and belief, these components are not staple
14 articles of commerce capable of substantial non-infringing uses.

15 48. On information and belief, at least one of the Defendants has actively
16 induced infringement of and continues to induce infringement of at least Claims 1,
17 3, 17, and 19 of the '633 Patent by one or more of the Defendants or third-parties by
18 distributing or making available instructions or manuals for manufacturing the
19 Accused Airbed, and/or providing technical support for doing the same. On
20 information and belief, Intex does so with knowledge, or with willful blindness of
21 the fact, that the induced acts constitute infringement of at least Claims 1, 3, 17, and
22 19 of the '633 Patent. At least one of the Defendants intends to cause infringement
23 by the other Defendants, third-party manufacturers, distributors, importers, agents,
24 and/or contractors.

25 49. Intex's actions constitute direct infringement, contributory
26 infringement, and/or active inducement of infringement of at least Claims 1, 3, 17,
27 and 19 of the '633 Patent in violation of 35 U.S.C. § 271.
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1 C. An award of damages adequate to compensate Bestway for Intex's
2 infringement of the '633 Patent in an amount to be proven at trial pursuant to 35
3 U.S.C. § 284 and pre and post judgment interest as allowed by law;

4 D. A finding that Intex's infringement of the '633 Patent was willful and
5 awarding Bestway treble damages under 35 U.S.C. § 284;

6 E. A finding that this case is "exceptional" under 35 U.S.C. § 285 and
7 awarding Bestway its costs and reasonable attorney's fees;

8 F. An assessment and award of pre- and post-judgment interest on all
9 damages awarded; and

10 G. Such other and further relief as the Court deems just and proper.

11 **DEMAND FOR JURY TRIAL**

12 Plaintiffs Bestway hereby request a trial by jury on all issues so triable.

13
14 Date: November 9, 2022

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