

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

**Sichuan Xinxiangyuantong Technology
Co. Ltd., d/b/a Vtinva,**

Plaintiff,

v.

**Zhenzhen Zhu; John Doe using
the alias of Joy Li**

Defendant.

Case No. 4:24-cv-977

**COMPLAINT FOR DECLARATORY
JUDGMENT**

AND DEMAND FOR A JURY TRIAL.

COMPLAINT FOR DECLARATORY JUDGMENT

Plaintiff, Sichuan Xinxiangyuantong Technology Co. Ltd., d/b/a Vtinva (“Plaintiff” or “Vtinva”), selling products under the “Vtinva” brand on Amazon, by and through their undersigned counsel, files this Complaint and Jury Demand against Defendants Zhenzhen Zhu and John Doe using the alias of Joy Li (“Zhu” and “Li” respectively, or collectively “Defendants”), claiming for patent non-infringement of certain Remote Controls that sold by Vtinva, as defined herein (the “Vtinva Remote Control”). Upon actual knowledge concerning itself and its acts, and information and belief as to all other matters, Vtinva alleges as follows:

NATURE OF THE ACTION

1. This is an action for declaratory judgment of noninfringement of a United States Patent pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, and the Patent Laws of the United States, 35 U.S.C. §§ 1 *et seq.*
2. Vtinva seeks declaratory judgment that none of the claims of the U.S. Patent No. D971,180 (“the D180 Patent”) are infringed by Vtinva Remote Control.

3. Vtinva seeks this relief because Defendants have accused Vtinva of patent infringement, alleging that the Vtinva Remote Control infringed upon the D180 Patent, thereby creating an actual and justiciable controversy between Vtinva and Defendants. Therefore, without waiver of any rights, the Plaintiffs bring this declaratory judgment action seeking a declaratory judgment of non-infringement and invalidity of U.S. Design Patent No. D971,180 (“the D180 Patent”).

4. Vtinva also seeks a judgment of Defendants’ actions for (i) intentional interference with contractual relationships, (ii) intentional interference with prospective economic advantage, or (iii) negligent interference with prospective economic advantage.

THE PARTIES

5. Vtinva is a corporation organized under the laws of the People’s Republic of China. Vtinva maintains a principal place of business at Floor 1, No. 11, No. 5, Southern Section 1, First Ring Road, Wuhou District, Chengdu City, Sichuan Province, China.

6. On information and belief, Zhu is an individual citizen of the People’s Republic of China, residing at No. 15 Shujing Lane, Gaotian Town, Yangshuo County, Guangxi Zhuang Autonomous Region, China.

7. On information and belief, Li is an unknown individual citizen of the People’s Republic of China operating an Amazon Store, and is the filer of Amazon Complaint ID 15958600071. On information and belief, Joy Li is an alias used by this individual to hide its real identity.

JURISDICTION AND VENUE

8. This Court has original subject matter jurisdiction over the claims asserted herein pursuant to the provisions of the Patent Act, 35 U.S.C. §101, *et seq.*, 28 U.S.C. §§ 1331 and 1338(a)-(b). This Court further has jurisdiction over the subject matter under the Declaratory

Judgment Act, 28 U.S.C. §§ 2201(a) and 2202.

9. The Court has personal jurisdiction over Defendants because its unlawful actions – specifically, the filing of numerous meritless patent infringement complaints against Vtinva’s Remote Controls – caused significant harm to Vtinva within this Court’s jurisdiction. Texas is one of the primary markets where Vtinva has been conducting significant business transactions dealing with the sale of Vtinva Remote Control. Amazon’s continuous removal of Vtinva Remote Control resulting from Defendants’ unreasonably false complaints substantially impacts consumers within Texas, warranting a declaratory judgment action for non-infringement and invalidity of the D180 Patent.

10. Additionally, this Court has personal jurisdiction over Defendants under Rule 4(k)(2) for their violations of the federal patent law.¹ On information and belief, the Defendants are not subject to jurisdiction in any state’s courts of general jurisdiction, and the exercise of such jurisdiction is consistent with the United States Constitution and laws. Because Defendants persistently send frivolous, baseless IP infringement complaints through the Amazon platform, fabricating IP violation claims against Vtinva, affecting Vtinva’s substantial business transactions here in Texas, personal jurisdiction is thus also proper in pursuance of Rule 4(k)(2).

11. Venue is proper in this District pursuant to 28 U.S.C. § 1391(c)(3). Defendants, as foreign individuals not residing in the United States, may be sued in any judicial district. Venue is also proper because it is reasonable for Vtinva – the declaratory judgment plaintiff here – to anticipate potential lawsuits against it in Texas. *See Nursery Decals & More, Inc. v. Neat Print*,

¹ “For a State to exercise jurisdiction consistent with due process, the defendant’s suit-related conduct must create a substantial connection with the forum State.” *Walden v. Fiore*, 571 U.S. 277, 284 (2014); *see also J. McIntyre Mach., Ltd. v. Nicaastro*, 564 U.S. 873, 881 (2011) (“submission through contact with and activity directed at a sovereign may justify specific jurisdiction”). Specific jurisdiction only requires a defendant to have “minimum contacts” with the state, rather than the “continuous and systematic” standard for general jurisdiction—the defendant need only purposefully direct its activities at residents of the forum, and the plaintiff’s alleged injury must arise out of or relate to the defendant’s contacts with the forum. *Dontos v. Vendomation NZ Ltd.*, 582 F. App’x 338, 342 (5th Cir. 2014).

Inc., No. 3:19-cv-2606-B, 2020 WL 1819885, at *11 (N.D. Tex. Apr. 10, 2020) (finding that if the declaratory judgment plaintiff would be subject to a lawsuit in the chosen venue, “it makes sense” that the plaintiff could bring a declaratory judgment action there based on the same alleged infringement); *see also Defense Distributed v. Grewal*, 971 F. 3d 485, 492 (5th Cir. 2020) (finding personal jurisdiction in Texas when the “totality” of the defendant’s contacts with Texas involved a single cease-and-desist letter sent to the plaintiff).

FACTUAL BACKGROUND

A. The Vtinva Remote Control

12. Vtinva is an e-commerce company, i.e., an online retailer. Vtinva sells digital products such as remote controls under the “Vtinvan” brand through its online website at Amazon.com. Since 2019, Plaintiff has conducted a reputation and conscientious business on the Amazon platform, adhering to high standards of commercial integrity and customer service. Vtinva has rigorously respected the intellectual property rights of others, operating with due diligence to avoid infringement and prioritize fair competition. Vtinva’s dedication to ethical business practices reflects its commitment to fostering a lawful marketplace that bolsters the rights of all intellectual property holders.

13. Amazon assigns each product listing on the platform a unique Amazon Standard Identification Number (“ASIN”). Vtinva sells Vtinva Remote Control under ASIN B095RBGR83. The Vtinva Remote Control was first available on Amazon on May 25, 2021. *See* Exhibit 4.

14. The Vtinva storefront has garnered 4.9 out of 5 stars in customer ratings. The Vtinva Remote Control is known for its outstanding quality and dependability at an affordable price.

B. The D180 Patent

15. The D180 Patent bears the title “Remote Control for Television” and states that it was issued on November 29, 2022, with an effective filing date of July 11, 2022. The D180 Patent

identified Zhenzhen Zhu as the inventor. A copy of the D180 Patent is attached as Exhibit 1.

16. The D180 Patent has a single independent claim directed towards an ornamental design for a remote control for television.

C. Defendants' Act Creating the Actual Controversy with Vtinva

17. The Amazon Marketplace features millions of product listings. For an online retailer to remain competitive in the United States, establishing a presence on the Amazon Marketplace is essential. *See, e.g.,* Emily Dayton, Amazon Statistics You Should Know: Opportunities to Make the Most of America's Top Online Marketplace, BigCommerce.com Blog, <https://www.bigcommerce.com/blog/amazon-statistics/> (last visited October 30, 2024) ("Each month more than 197 million people around the world get on their devices and visit Amazon.com. That's more than the entire population of Russia. In 2018, Amazon's share of the US e-commerce market hit 49% ... that is more than Amazon's top three competitors combined, with eBay coming in at 6.6%, Apple at 3% and Walmart at 3.7%.") Nine of ten American consumers use Amazon to price-check products they find elsewhere, and roughly 95 million have Amazon Prime memberships in the United States. *See id.*

18. On September 08, 2024, Amazon notified Vtinva that Li had submitted Amazon patent infringement claims alleging that the Vtinva Remote Control infringed the D180 Patent and had requested a takedown of the accused Vtinva Remote Control. *See* Exhibit 2 (demonstrating an individual with a fictitious name, "Joy Li," submitted the false patent infringement claim).

19. Subsequently, Amazon removed the listing for Vtinva Remote Control (ASIN B095RBGR83) from the Amazon Marketplace without conducting any infringement evaluation, not even giving Vtinva an adequate chance of bringing about noninfringement contention or proving D180's invalidity. As a result, Vtinva had to appeal numerous times to challenge the unreasonable delisting caused by Defendants' frivolous allegations. But all the efforts, time, and

resources Vtinva had spent were of no avail. *See* Exhibit 2 (showing Vtinva had appealed many times to argue against Defendants' baseless claims but failed to re-list its ASIN).

20. Since the delisting, Vtinva has been unable to sell the Vtinva Remote Control on Amazon platform.

21. Defendants' allegations that Vtinva infringes the D180 Patent create an actual case or controversy regarding the validity and alleged infringement of the D180 Patent. Additionally, Defendants' allegations made Amazon.com pose a threat of actual damage and imminent harm to Vtinva.

22. Amazon's delisting of Vtinva's Remote Control, provoked by Defendants' unchallenged infringement notices, caused Vtinva to incur substantial losses in gross revenue and net profits from its sales of the Vtinva Remote Control.

23. Vtinva is also continuously sustaining indirect harm from the unreasonable delisting of Vtinva Remote Control. Primarily, its business model relies upon rapid inventory turnover; however, a substantial portion of its capital is now tied up in inventory held by Amazon that it cannot sell and that Amazon may, at any time, remove or destroy. Moreover, Vtinva remains liable to its suppliers and vendors for the purchase costs of Vtinva Remote Control and related expenses.

24. Vtinva is additionally sustaining a loss of sales, product reviews, and product ratings, which are crucial and essential factors in establishing a reputable brand name on e-commerce platforms. Amazon ranking is also critical to product visibility among consumer search results and for garnering the "Amazon Choice" Badge or "Amazon Bestseller" designations, symbolizing renowned acceptance from the general consumer base.

COUNT I
(DECLARATORY JUDGMENT OF INVALIDITY OF THE D180 PATENT)

25. Vtinva hereby re-alleges and incorporates by reference the allegations set forth in

paragraphs 1 through 22.

26. An actual controversy exists with respect to the D180 Patent concerning the validity of the D180 Patent.

27. Each claim of the D180 Patent is invalid for failure to satisfy one or more conditions for patentability set forth in 35 U.S.C. § 101 *et seq.*, including but not limited to Sections 101, 102, 103, and 112.

28. Without limiting the grounds of invalidity, Vtinv asserts in this action, Claim 1 of the D180 Patent is invalid under 35 U.S.C. 102(a)(1) based on the “on-sale bar” provision because commercial products embodying the same and substantially similar design have been on sale and sold to U.S. consumers more than a year before the effective filing date of the D180 Patent application.

29. As demonstrated in the attached Exhibit 3, the prior product has been on sale since as early as September 1, 2020, on Amazon.com with the products entitled “XRT140 OEM Remote Control for Vizio Smart TV V655-H1 V435-H1 V555-H1 V605-H3 V655-H9 M50Q7-H1 M55Q7-H1 M55Q8-H1 M65Q7-H1 M65Q8-H1 P65Q9-H1 P65QX-H1 P75Q9-H1 P75QX-H1 V435-H11 V585-H11 Title (Renewed).” (“Prior Product”). Below is the exemplary chart demonstrating that the prior product embodies the same design claimed in the D180 Patent:

<p>Exemplary Images of The Prior Product (ASIN B08H5TRFNR) (<u>First Made Commercially Available on</u> <u>September 1, 2020</u>)</p>	<p>Exemplary Figures From The D180 Patent (<u>Application Filed on July 11, 2022</u>)</p>
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(A front elevation view of the Prior Product)

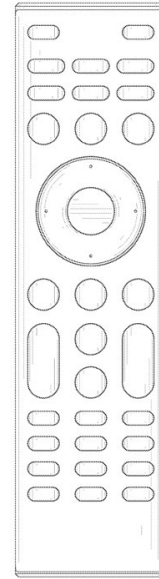


FIG. 3

(Fig. 3 of the D180 Patent showing a front elevation view of the claimed design)



(A right-side elevation view of the Prior Product)

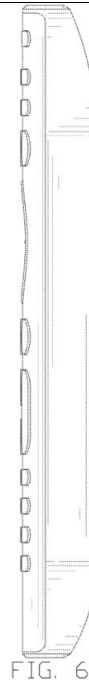


FIG. 6

(Fig. 6 of the D180 Patent showing a right-side elevation view of the claimed design)



(A rear elevation view of the Prior Product)

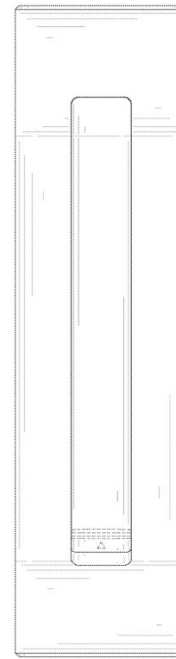


FIG. 4

(Fig. 4 of the D180 Patent showing a rear elevation view of the claimed design)

30. The Prior Product, embodying the exact same design claimed by the D180 Patent, has been offered for sale and sold in public commercially on Amazon since September 1, 2020. *See* Exhibit 3 (showing the “Date First Available” on Amazon.com).

31. Therefore, the Prior Product is a prima facie case proving the previous public commercial sale of the same and/or substantially similar products under 35 U.S.C. §102(a)(1) against the patentability of the D180 Patent.

32. Vtinvva expressly reserves the right to assert additional grounds of invalidity following the completion of discovery.

33. Vtinvva seeks a declaratory judgment that the D180 Patent is invalid for failure to comply with one or more conditions of patentability set forth in 35 U.S.C §§ 101, 102, and/or 103.

COUNT II
(DECLARATORY JUDGMENT OF NON-INFRINGEMENT OF THE D180 PATENT)

34. Vtinva hereby re-alleges and incorporates by reference the allegations set forth in paragraphs 1 through 31.

35. Despite this fact, Defendants have consistently asserted that Vtinva's products infringe the D180 Patent and thereby caused the delisting of Vtinva Remote Control from the Amazon platform without any infringement evaluation. *See* Exhibit 2.

36. Vtinva expressly reserves the right to assert additional grounds of noninfringement as appropriate following the completion of discovery.

37. Vtinva seeks a declaratory judgment that making, using, selling, offering for sale, and/or importing the Vtinva Remote Control does not and will not infringe any valid claim of the D180 Patent.

COUNT III
(INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS)

38. Vtinva hereby re-alleges and incorporates fully herein the allegations set forth by reference.

39. Vtinva, being a bona fide seller on the Amazon platform, is bound by Amazon's comprehensive set of policies and procedures outlined within their obligatory objectives when entering commercial contracts. These binding provisions regulate Vtinva's commercial operations on the platform and lay out the fundamental terms under which Vtinva is permitted to operate. The policies also specify situations where Amazon may suspend or terminate Vtinva's operations. By creating Amazon accounts and acting as sellers, Vtinva has agreed to adhere to these policies and procedures, collectively forming the contractual relationship between Vtinva and Amazon.

40. Defendants have the full knowledge of and are familiar with Amazon's operational procedures. The fact that Defendants deliberately take advantage of Amazon's internal reporting

procedures of filing falsely asserted patent infringement claims demonstrates Defendants' knowledge of the contract between Vtinva and Amazon, with particularity and sufficiency.

41. As shown *supra*, Defendants have been persistently filing a series of false claims against Vtinva by utilizing an invalid patent barred by prior sales more than two years ago. *See* Exhibit 2. As a result, the frivolous, falsely asserted claims effectively prevented and hindered Vtinva's ability to fulfill its obligation adequately under the existing contract with Amazon.

42. Defendants willfully and intentionally elicited such damages to Vtinva, expecting such a result, i.e., Amazon's prompt delisting of the Vtinva Remote Control against which Defendants asserted groundless patent infringement complaints.

43. The resulting delisting from Amazon platform has harmed and continues to harm Vtinva in tangible and intangible ways, with the damage to Vtinva mounting by the day.

44. Defendants' actions herein have demonstrated oppression, fraud, and/or malice directed towards Vtinva. Additionally, Defendants' actions have caused severe and irreparable harm to Vtinva, for which Vtinva has no adequate remedy at law unless this Court enjoins Defendants' unlawful actions.

45. Defendants' actions have also caused Vtinva to suffer monetary damages. The proper amount of such monetary loss exceeds \$75,000.

46. Defendants' actions also entitle Vtinva to appropriate punitive damages.

COUNT IV
(INTENTIONAL INTERFERENCE WITH PROSPECTIVE BUSINESS RELATIONS)

47. Vtinva hereby re-alleges and incorporates fully herein the allegations set forth by reference.

48. Defendants know that Vtinva is an active commercial seller on the Amazon platform. Therefore, Defendants knew that the business relationship between Vtinva and Amazon has

garnered Vtinva consideration economic benefits and constitutes the core business strategy for Vtinva to conduct legitimate business transactions in the United States.

49. As shown *supra*, Defendants have engaged in conduct disrupting the economic relationship between Vtinva and Amazon by making unreasonable and baseless patent infringement complaints to Amazon against Vtinva Remote Controls, purposefully exploiting Amazon's intellectual property violation reporting system to unethically "justify" the expedited delisting of Vtinva Remote Control.

50. Defendants acted explicitly to disrupt and interfere with the economic relationship between Vtinva and Amazon through fraudulent actions.

51. Consequently, the economic relationship between has been severely damaged by Amazon's desilting of Vtinva Remote Controls falsely asserted in Defendants baseless infringement complaints.

52. Defendants willfully and intentionally elicited such damages to Vtinva, expecting such a result, i.e., Amazon's prompt delisting of the Vtinva Remote Control against which Defendants asserted groundless patent infringement complaints.

53. The resulting delisting from Amazon platform has harmed and continues to harm Vtinva in tangible and intangible ways, with the damage to Vtinva mounting by the day.

54. Defendants' actions herein have demonstrated oppression, fraud, and/or malice directed towards Vtinva. Additionally, Defendants' actions have caused severe and irreparable harm to Vtinva for which Vtinva has no adequate remedy at law unless this Court enjoins Defendants' unlawful actions.

55. Defendants' actions have also caused Vtinva to suffer monetary damages. The proper amount of such monetary loss exceeds \$75,000.

56. Defendants' actions also entitle Vtinva to appropriate punitive damages.

COUNT V
(NEGLIGENT INTERFERENCE WITH PROSPECTIVE BUSINESS RELATIONS)

57. Vtinva hereby re-alleges and incorporates fully herein the allegations set forth by reference.

58. As shown *supra*, Defendants have committed and should be found liable for intentional interference with prospective business relations. Alternatively, if the factual determination finds the element of intent otherwise, Defendants have committed and should be found liable for negligent interference with prospective business relations.

59. Defendants knew or should have known that it was highly foreseeable for their relentless actions to cause severe disruption in the business relationship between Vtinva and Amazon.

60. Defendants' actions legally and proximately harmed and continue to harm Vtinva in ways both tangible and intangible.

61. As shown *supra*, Defendants have engaged in conduct disrupting the economic relationship between Vtinva and Amazon by making unreasonable and baseless patent infringement complaints to Amazon against Vtinva Remote Controls, purposefully exploiting Amazon's intellectual property violation reporting system to unethically "justify" the expedited delisting of Vtinva Remote Control.

62. Defendants' actions herein have demonstrated oppression, fraud, and/or malice directed towards Vtinva. Additionally, Defendants' actions have caused severe and irreparable harm to Vtinva for which Vtinva has no adequate remedy at law unless this Court enjoins Defendants' unlawful actions.

63. Defendants' actions have also caused Vtinva to suffer monetary damages. The proper amount of such monetary loss exceeds \$75,000.

64. Defendants' actions also entitle Vtinva to appropriate punitive damages.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs request entry of judgment against Defendants as follows:

- A. A preliminary injunction and permanent injunction ordering the Defendants to withdraw and retract all its Amazon infringement complaints in connection with the ASINs at issue, identified *supra* at ¶ 11, lodged against Vtinva regarding the D180 Patent, and to make no further complaints of infringement to Amazon.com against Vtinva Remote Control based on the D180 Patent or any related patent while this litigation is pending;
- B. A declaration that the D180 Patent is invalid;
- C. A declaration that the manufacture, use, sale, offer of sale, or importation of Vtinva Remote Control have not and do not directly or indirectly infringe, either literally or under the doctrine of equivalents, any claim of the D180 Patent;
- D. Enjoining Defendants from enforcing D180 Patent;
- E. A declaration that Defendants have engaged in tortious interference with contractual relations and intentional interference with prospective business relations – alternatively, negligent interference with prospective business relations, and enjoining further such violations;
- F. Awarding Vtinva compensatory damages for the harm inflicted by Defendants' actions;
- G. A declaration that this case is an exceptional case pursuant to 35 U.S.C. § 285;
- H. An award of Plaintiffs' reasonable attorneys' fees, costs, and expenses under 35 U.S.C. § 285, any applicable Ohio statutes, or common law; and
- I. Such other and further relief as the Court deems just and proper.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiffs hereby demand trial by jury in this action of all issues so triable.

Dated: Nov. 4, 2024

Respectfully submitted,

By: /s/ Shaoyi Che

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