

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

**FLEXIWORLD TECHNOLOGIES, INC.,**

Plaintiff,

v.

**HISENSE CO., LTD., QINGDAO HUATONG  
STATE-OWNED CAPITAL OPERATION  
(GROUP) CO. LTD., HISENSE VISUAL  
TECHNOLOGY CO., LTD., QINGDAO  
HISENSE ELECTRONICS INDUSTRY  
HOLDINGS CO., LTD., HISENSE IMPORT  
& EXPORT CO. LTD., HISENSE  
INTERNATIONAL CO., LTD., HISENSE  
INTERNATIONAL (HK) CO., LTD.,  
HISENSE INTERNATIONAL (HONG KONG)  
AMERICA INVESTMENT CO., LTD.,  
HISENSE INTERNATIONAL AMERICA  
HOLDINGS CO., LTD., GUIYANG HISENSE  
ELECTRONICS CO., LTD., GUIYANG  
INDUSTRIAL AND COMMERCIAL ASSETS  
MANAGEMENT CO., LTD., and HISENSE  
ELECTRONICA MEXICO S.A. DE C.V.**

Defendants.

Case No. 2:22-cv-225

Jury Trial Demanded

**ORIGINAL COMPLAINT FOR PATENT INFRINGEMENT**

Plaintiff Flexiworld Technologies, Inc., files this Original Complaint for patent infringement against Defendants Hisense Co., Ltd. (“Hisense Co.”), Qingdao Huatong State-owned Capital Operation (Group) Co. Ltd. (“Huatong Group”), Hisense Visual Technology Co., Ltd. (“Hisense Visual”), Qingdao Hisense Electronics Industry Holdings Co., Ltd. (“Hisense Electronics Holdings”), Hisense Import & Export Co. Ltd. (“Hisense Import”), Hisense International Co., Ltd. (“Hisense Int’l”), Hisense International (HK) Co., Ltd. (“Hisense Int’l (HK)”), Hisense International (Hong Kong) America Investment Co., Ltd. (“Hisense Int’l (HK)”).

America”), Hisense International America Holdings Co., Ltd. (“Hisense Int’l America”), Guiyang Hisense Electronics Co., Ltd. (“Guiyang Hisense”), Guiyang Industrial and Commercial Assets Management Co., Ltd. (“Guiyang Industrial”), and Hisense Electronica Mexico S.A. de C.V. (“Hisense Mexico”) (collectively Hisense Co., Huatong Group, Hisense Visual, Hisense Electronics Holdings, Hisense Import, Hisense Int’l, Hisense Int’l (HK), Hisense Int’l (HK) America, Hisense Int’l America, Guiyang Hisense, Guiyang Industrial, and Hisense Mexico are referred to as “Defendants,” “Hisense Group,” or “Hisense”) alleging as follows:

### **NATURE OF THE SUIT**

1. This is a claim for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This case asserts infringement of United States Patent Nos. 8,169,649 (“the ’649 Patent”), 9,069,510 (“the ’510 Patent”), 9,836,259 (“the ’259 Patent”), 9,965,233 (“the ’233 Patent”), and 10,037,178 (“the ’178 Patent”) (collectively, the “Patents-in-Suit”).

### **THE PARTIES**

2. Plaintiff Flexiworld Technologies, Inc. (“Plaintiff” or “Flexiworld”) is a Washington corporation with its principal place of business at 3439 NE Sandy Blvd., #267, Portland, Oregon 97232.

3. On information and belief, Hisense Co., Ltd. is an entity organized and existing under the laws of the People’s Republic of China.

4. On information and belief, Qingdao Huatong State-owned Capital Operation (Group) Co. Ltd. is an entity organized and existing under the laws of the People’s Republic of China.

5. On information and belief, Hisense Visual Technology Co., Ltd., formerly known as Qingdao Hisense Electronics Co., Ltd. and Hisense Electric Co., Ltd., is an entity organized and existing under the laws of the People's Republic of China.

6. On information and belief, Qingdao Hisense Electronics Industry Holdings Co., Ltd. is an entity organized and existing under the laws of the People's Republic of China.

7. On information and belief, Hisense Import & Export Co. Ltd. is an entity organized and existing under the laws of the People's Republic of China.

8. On information and belief, Hisense International Co., Ltd. is a corporation organized and existing under the laws of the People's Republic of China.

9. On information and belief, Hisense International (HK) Co., Ltd. is an entity organized and existing under the laws of Hong Kong, SAR.

10. On information and belief, Hisense International (Hong Kong) America Investment Co., Ltd. is an entity organized and existing under the laws of Hong Kong, SAR.

11. On information and belief, Hisense International America Holdings Co., Ltd. is an entity organized and existing under the laws of Hong Kong, SAR.

12. On information and belief, Guiyang Hisense Electronics Co., Ltd. is an entity organized and existing under the laws of the People's Republic of China.

13. On information and belief, Guiyang Industrial and Commercial Assets Management Co., Ltd. is an entity organized and existing under the laws of the People's Republic of China.

14. On information and belief, Hisense Electronica Mexico S.A. de C.V. is a corporation organized and existing under the laws of Mexico.

15. On information and belief, Defendants, individually, together, and/or in concert, participate in the design, development, manufacture, sale for importation into the United States, offers for sale for importation into the United States, importation into the United States, sale within the United States after importation, and offers for sale within the United States after importation, of televisions and/or soundbars that infringe the Asserted Patents.

16. On information and belief, Defendants operate in agency with each other as a group. *See, e.g.*, <https://www.hisense-usa.com/company>.

### **JURISDICTION AND VENUE**

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

18. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(c). Each Defendant is a foreign entity and may be sued in any judicial district under 28 U.S.C. § 1391(c)(3).

19. This Court has general and specific personal jurisdiction over Defendants pursuant to due process and/or the Texas Long Arm Statute because, *inter alia*, (i) Defendants have done and continue to do business in Texas and (ii) Defendants have, 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. Defendants have placed, and are 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. Defendants

have derived substantial revenues from its infringing acts occurring within Texas and within this District. Defendants have 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.

### **THE PATENTS-IN-SUIT**

#### **The '649 Patent**

20. The '649 Patent duly and legally issued on May 1, 2012, from U.S. Patent Application No. 12/581,868, filed on October 19, 2009, naming William Ho Chang and Christina Ying Liu as the inventors.

21. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '649 Patent.

22. An assignment of the '649 Patent from inventors Chang and Liu to Flexiworld is recorded at the United States Patent and Trademark Office ("PTO") at Reel/Frame 028733/0064.

#### **The '510 Patent**

23. The '510 Patent duly and legally issued on June 30, 2015, from U.S. Patent Application No. 12/783,504, filed on May 19, 2010, naming William Ho Chang and Christina Ying Liu as the inventors.

24. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '510 Patent.

25. An assignment of the '510 Patent from inventors Chang and Liu to Flexiworld is at the PTO at Reel/Frame 029112/0430.

**The '259 Patent**

26. The '259 Patent duly and legally issued on December 5, 2017, from U.S. Patent Application No. 15/359,147, filed on November 22, 2016, naming William Ho Chang and Christina Ying Liu as the inventors.

27. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '259 Patent.

28. An assignment of the '259 Patent from inventors Chang and Liu to Flexiworld is recorded at the United States Patent and Trademark Office ("PTO") at Reel/Frame 042385/0202.

**The '233 Patent**

29. The '233 Patent duly and legally issued on May 8, 2018, from U.S. Patent Application No. 09/992,413, filed on November 18, 2001, naming William Ho Chang and Christina Ying Liu as the inventors.

30. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '233 Patent.

31. An assignment of the '233 Patent from inventors Chang and Liu to Flexiworld is recorded at the United States Patent and Trademark Office ("PTO") at Reel/Frame 012325/0362.

**The '178 Patent**

32. The '178 Patent duly and legally issued on July 31, 2018, from U.S. Patent Application No. 15/348,006, filed on November 10, 2016, naming William Ho Chang and Christina Ying Liu as the inventors.

33. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '178 Patent.

34. An assignment of the '178 Patent from inventors Chang and Liu to Flexiworld is recorded at the United States Patent and Trademark Office ("PTO") at Reel/Frame 042385/0202.

### GENERAL ALLEGATIONS

35. Hisense has infringed (literally and/or under the doctrine of equivalents), directly, indirectly, and/or through subsidiaries, agents, representatives, or intermediaries, one or more claims of each of the Patents-in-Suit by making, using, importing, testing, supplying, causing to be supplied, selling, and/or offering for sale in the United States **the Accused Products**, which include at least Hisense's Smart TV products, including its Android TV, Google TV, Roku TV, X Class TV, and Smart Laser TV products ("**the Accused TVs**"), its Soundbar products ("**the Accused Soundbars**"), and Hisense RemoteNow App ("**the Accused Apps**").

36. Hisense's customers have directly infringed the Patents-in-Suit by using the Accused Products. Through its product manuals, website, and/or sales and marketing activities, Hisense solicited, instructed, encouraged, and aided and abetted its customers to purchase and use the Accused Products in an infringing way.

37. Hisense has had knowledge of the Patents-in-Suit at least through Flexiworld's sending of (and Hisense's receipt of) notice letters to Hisense via U.S. mail on October 14, 2021, and December 29, 2021, which notice letters identified the Patents-in-Suit, additional Flexiworld patents, and the Accused Products as infringing the Patents-in-Suit.

38. By receiving such notice of infringement, Hisense obtained a subjective belief that there is a high probability that the Accused Products infringe the Patents-in-Suit. Despite being put on notice of infringement, on information and belief Hisense has not taken any actions to avoid the conduct alleged to infringe, has not responded to Flexiworld's notice letter to offer any assertion as to why the Accused Products do not infringe the Patents-in-Suit, and has not sought to remedy its infringements by offering to take a license. Hisense's failure to act reflects deliberate

actions to avoid learning that the Accused Products infringe the Patents-in-Suit and, more generally, a policy of not earnestly reviewing and respecting the intellectual property of others.

39. Hisense's actions after learning of the Patents-in-Suit were with specific intent to cause infringement of one or more claims of each of the Patents-in-Suit.

40. Despite having knowledge of the Patents-in-Suit, as well as knowledge that it was directly and/or indirectly infringing one or more claims of each Patent-in-Suit, Hisense nevertheless proceeded to infringe the Patents-in-Suit, and induce others to do the same, with full and complete knowledge of the applicability of the Patents-in-Suit to the Accused Products, without a license and without a good faith belief that the claims of the Patents-in-Suit were not infringed.

41. Flexiworld has been damaged as a result of Hisense's infringing conduct. Hisense is therefore liable to Flexiworld in an amount that adequately compensates Flexiworld for Hisense's infringement, which, by law, cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court under 35 U.S.C. § 284.

42. In addition, for the reasons discussed herein, Hisense's infringing activities detailed in this Complaint have been willful, egregious, wanton, and deliberate in disregard to Flexiworld's rights, justifying a finding of willful infringement, enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

#### **COUNT I – INFRINGEMENT OF THE '649 PATENT**

43. Flexiworld incorporates herein the allegations made in paragraphs 1 through 42.

44. Hisense has indirectly infringed the '649 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase and/or download the **Accused Apps** and/or by



instructing customers how to use the **Accused Apps** in a way that directly infringes at least claim 1 of the '649 Patent.

45. Hisense had knowledge of the '649 Patent and of its infringement of the '649 Patent through at least Flexiworld's October 24, 2021 and December 29, 2021 notice letters to Hisense.

46. Despite Hisense's knowledge of the '649 Patent and of its infringement of the '649 Patent, Hisense has not sought to remedy its infringement or sought to identify any good faith belief as to why it does not infringe the '649 Patent.

47. On information and belief, Hisense's actions represented a specific intent to induce infringement of at least claim 1 of the '649 Patent. For example, Hisense offered its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '649 Patent via at least their use of the Accused Apps. *See, e.g.,* <https://www.hisense-usa.com/support>.

48. As a result of Hisense's infringement of the '649 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

## **COUNT II – INFRINGEMENT OF THE '510 PATENT**

49. Flexiworld incorporates herein the allegations made in paragraphs 1 through 42.

50. Hisense has indirectly infringed the '510 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase and/or download the **Accused Apps** and/or by instructing customers how to use the **Accused Apps** in a way that directly infringes at least claim 1 of the '510 Patent.

51. Hisense had knowledge of the '510 Patent and of its infringement of the '510 Patent through at least Flexiworld's October 24, 2021 and December 29, 2021 notice letters to Hisense.

52. Despite Hisense's knowledge of the '510 Patent and of its infringement of the '510 Patent, Hisense has not sought to remedy its infringement or sought to identify any good faith belief as to why it does not infringe the '510 Patent.

53. On information and belief, Hisense's actions represented a specific intent to induce infringement of at least claim 1 of the '510 Patent. For example, Hisense offered its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '510 Patent via at least their use of the **Accused Apps**. *See, e.g.*, <https://www.hisense-usa.com/support>.

54. As a result of Hisense's infringement of the '510 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

### **COUNT III – INFRINGEMENT OF THE '259 PATENT**

55. Flexiworld incorporates herein the allegations made in paragraphs 1 through 42.

56. Hisense has directly infringed one or more claims of the '259 Patent, including, for example, claim 1, in violation of 35 U.S.C. § 271(a) by making, using, selling, offering for sale, and/or importing into the United States infringing products including, but not limited to, the **Accused TVs** and the **Accused Soundbars**.

57. Additionally, on information and belief, Hisense has indirectly infringed the '259 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase the **Accused TVs** and the **Accused Soundbars** and/or by instructing customers how to use the **Accused TVs** and the **Accused Soundbars** in a way that directly infringes at least claim 1 of the '259 Patent.

58. Hisense has knowledge of the '259 Patent and of its infringement of the '259 Patent through at least Flexiworld's October 24, 2021 and December 29, 2021 notice letters to Hisense.

59. Despite Hisense's knowledge of the '259 Patent and of its infringement of the '259 Patent, Hisense has not sought to remedy its infringement or sought to identify any good faith belief as to why it does not infringe the '259 Patent.

60. On information and belief, Hisense's actions represented a specific intent to induce infringement of at least claim 1 of the '259 Patent. For example, Hisense offers its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '259 Patent via at least their use of the **Accused TVs** and the **Accused Soundbars**. *See, e.g.,* <https://www.hisense-usa.com/support>.

61. As a result of Hisense's infringement of the '259 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

#### **COUNT IV – INFRINGEMENT OF THE '233 PATENT**

62. Flexiworld incorporates herein the allegations made in paragraphs 1 through 42.

63. Hisense has and continues to directly infringe one or more claims of the '233 Patent, including, for example, claim 37, in violation of 35 U.S.C. § 271(a) by making, using, selling, offering for sale, and/or importing into the United States infringing products including, but not limited to, the **Accused TVs**.

64. Additionally, on information and belief, Hisense has and continues to indirectly infringe the '233 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase the **Accused TVs** and/or by instructing customers how to use the **Accused TVs** in a way that directly infringes at least claim 37 of the '233 Patent.

65. Hisense has knowledge of the '233 Patent and of its infringement of the '233 Patent through at least Flexiworld's October 24, 2021 and December 29, 2021 notice letters to Hisense.

66. Despite Hisense's knowledge of the '233 Patent and of its infringement of the '233 Patent, Hisense has not sought to remedy its infringement or sought to identify any good faith belief as to why it does not infringe the '233 Patent.

67. On information and belief, Hisense's actions represented a specific intent to induce infringement of at least claim 37 of the '233 Patent. For example, Hisense offers its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '233 Patent via at least their use of the **Accused TVs**. *See, e.g.*, <https://www.hisense-usa.com/support>.

68. As a result of Hisense's infringement of the '233 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

#### **COUNT V – INFRINGEMENT OF THE '178 PATENT**

69. Flexiworld incorporates herein the allegations made in paragraphs 1 through 42.

70. Hisense has directly infringed one or more claims of the '178 Patent, including, for example, claim 13, in violation of 35 U.S.C. § 271(a) by making, using, selling, offering for sale, and/or importing into the United States infringing products including, but not limited to, the **Accused TVs** and the **Accused Soundbars**.

71. Additionally, on information and belief, Hisense has indirectly infringed the '178 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase the **Accused TVs** and the **Accused Soundbars** and/or by instructing customers how to use the **Accused TVs** and the **Accused Soundbars** in a way that directly infringes at least claim 13 of the '178 Patent.

72. Hisense has knowledge of the '178 Patent and of its infringement of the '178 Patent through at least Flexiworld's October 24, 2021 and December 29, 2021 notice letters to Hisense.

73. Despite Hisense's knowledge of the '178 Patent and of its infringement of the '178 Patent, Hisense has not sought to remedy its infringement or sought to identify any good faith belief as to why it does not infringe the '178 Patent.

74. On information and belief, Hisense's actions represented a specific intent to induce infringement of at least claim 13 of the '178 Patent. For example, Hisense offers its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '178 Patent via at least their use of the **Accused TVs** and the **Accused Soundbars**. *See, e.g.,* [https://www.hisense-usa.com/support](https://www.hisense-usa.com/support;);

75. As a result of Hisense's infringement of the '178 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

#### **DEMAND FOR A JURY TRIAL**

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

#### **PRAYER FOR RELIEF**

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

- a. A judgment that Hisense has directly and/or indirectly infringed one or more claims of each of the Patents-in-Suit;
- b. A judgment and order requiring Hisense to pay Flexiworld past and future damages under 35 U.S.C. § 284, including for supplemental damages arising from any continuing post-verdict infringement for the time between trial and entry of the final judgment with an accounting, as needed, as provided by 35 U.S.C. § 284;

- c. A judgment and order that Hisense has willfully infringed the Patents-in-Suit and requiring Hisense to pay Flexiworld enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285;
- d. A judgment and order requiring Hisense to pay Flexiworld pre-judgment and post-judgment interest on the damages award;
- e. A judgment and order requiring Hisense to pay Flexiworld's costs; and
- f. Such other and further relief as the Court may deem just and proper.

Dated: June 24, 2022

Respectfully submitted,

*/s/ Timothy E. Grochocinski*

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