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Attorneys for Snap One, LLC

IN THE UNITED STATES DISTRICT COURT DISTRICT OF UTAH

SNAP ONE, LLC, a North Carolina limited liability company,	COMPLAINT AND JURY DEMAND
Plaintiff, v.	Case No. 2:23-cv-522
AVA, INC., a Delaware corporation; JOSH.AI, INC., a Delaware corporation,	
Defendants.	

Plaintiff Snap One, LLC hereby complains, petitions, and alleges against defendants

Josh.ai, Inc. ("Josh.ai") and AVA, Inc. ("AVA") (collectively, "Defendants") as follows:

INTRODUCTION

1. In 2019, Snap One spent more than ten million dollars to acquire a company,

NEEO AG ("NEEO"), that had developed an innovative smart home remote (the "Neeo

Remote"). As part of the acquisition, several former NEEO employees began working for Snap

One to develop an upgraded Neeo Remote that, although nearly identical in external design to

the previous version, featured several technical upgrades and software changes to improve the

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product's functionality and usability. Snap One released the upgraded Neeo Remote for use with Snap One's market-leading Control4 smart home systems in November 2019.

2. Less than two years later, a core group of former NEEO leaders, then employed by Snap One, left Snap One and started a new company called AVA. Leveraging the intellectual property purchased or developed by Snap One, and without Snap One's consent, AVA quickly developed a smart remote of its own (the "AVA Remote").



3. As demonstrated by the images above, the AVA Remote was strikingly similar to the Neeo Remote. The uncanny resemblance did not go unnoticed. Both remotes were exclusively sold to professional systems integrators ("Dealers") within the custom electronic design and installation industry (the "CEDIA Industry"). Those Dealers publicly remarked:

"Looks just like a neo [*sic*] remote," "[T]his new remote is just a Neeo 2.0," and "Customers might think the AVA remote is a [Neeo] remote and that is not a good thing." AVA also sought to profit off of Snap One's name and reputation by, among other things: (i) improperly using Snap One's Control4 trademark on its website, in marketing hashtags, and in numerous images of the AVA Remote; (ii) representing that AVA was founded by "Former [Snap One] Executives"; and (iii) advertising the AVA Remote in closed Snap One Dealer groups. This conduct led to even more confusion in the marketplace.

4. In March 2022, Snap One demanded that AVA stop its improper conduct and took steps to prevent the AVA Remote from interoperating with Snap One's Control4 smart home platform. AVA eventually agreed to stop using Snap One's Control4 marks, but its misconduct did not stop there. A few months later, AVA approached one of Snap One's certified product development partners, Josh.ai, about a collaborative partnership.

5. Josh.ai had produced a voice control system that, as set forth below, was licensed to integrate with the Control4 platform. Specifically, in 2017, Josh.ai and Snap One executed a Software Development Kit License Agreement (the "SDK Agreement") that gave Josh.ai a limited license to use certain Snap One software, code, web services, application programming interfaces ("APIs"), and other development resources (collectively, the "Development Resources") to build applications for use with its products to integrate with Control4 software. Pursuant to the SDK Agreement, Josh.ai had used the Development Resources to integrate its voice control system with Snap One's Control4 platform.

6. Knowing this, in the fall of 2022, AVA partnered with Josh.ai to embed Josh.ai's interface within the AVA Remote and integrate the remote with Josh.ai systems, thereby gaining unauthorized access to, and interoperability with, Snap One's Control4 platform.

7. Soon thereafter, on June 27, 2023, Josh.ai announced the release of the "Josh Remote." According to the release, AVA and Josh.ai jointly developed the Josh Remote, which appears to leverage the AVA Remote's hardware, firmware, and industrial design, causing additional market confusion.



8. Both the AVA Remote and the Josh Remote (together, the "Infringing Remotes") improperly incorporate Snap One's valuable intellectual property. Among other things, they infringe on Snap One's patents, incorporate Snap One's valuable trade secrets and confidential proprietary information, and copy the Neeo Remote's unique and innovative design. Beyond that, both Josh.ai and AVA produce additional products that also infringe on Snap One's valuable patent rights.

9. This is not the only instance of Josh.ai's improper conduct in its relationship with Snap One. In 2021, Josh.ai entered into a Distributor Agreement with Snap One, in which it granted Snap One the exclusive right to sell certain Josh.ai products to Control4 Dealers. However, contrary to its repeated representations to Snap One, Josh.ai failed to refer Control4 Dealers that desired to purchase Josh.ai products to Snap One. Instead, it breached its contractual obligations by actively marketing and selling its products to new and existing Control4 Dealers at prices that were lower than Snap One (as a reseller of the products) could offer. In so doing, Josh.ai improperly took advantage of Snap One's sales and marketing efforts to acquire additional customers and left Snap One with Josh.ai products it could not sell.

10. Defendants' misconduct should be seen for what it is: an effort to exploit Snap One's intellectual property and goodwill and bypass the years of work and effort necessary to develop market-leading smart home products. Snap One gave Defendants multiple chances to correct or stop their behavior and provided notice of their breaches of contract. They disregarded those notices. Consequently, Snap One now has no choice but to seek relief from the legal system to protect its intellectual property and contractual rights.

THE PARTIES, JURISDICTION, AND VENUE

11. Plaintiff Snap One, LLC is a North Carolina limited liability company with its coheadquarters and principal place of business in Lehi, Utah.

12. Defendant AVA, Inc. is a Delaware corporation with its principal place of business in Park City, Utah.

13. Defendant Josh.ai, Inc. is a Delaware corporation with its principal place of business in Denver, Colorado.

14. The Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C § 1338(a) because it is a civil action arising under an Act of Congress relating to patents. The Court also has subject matter jurisdiction pursuant to 28 U.S.C. § 1331(a) because Defendants' conduct violates at least the Defend Trade Secrets Act ("DTSA") (18 U.S.C. § 1836) and the Lanham Act (15 U.S.C. § 1125(a)). The Court has supplemental jurisdiction over Snap One's state law claims pursuant to 28 U.S.C. § 1367. The state law claims are integrally related to Snap One's federal claims and arise from a common nucleus of operative facts, such that the administration of the state law claims with the federal claims furthers the interest of judicial economy.

15. This Court has personal jurisdiction over Defendants pursuant to Utah Code § 78B-3-205 because Defendants have transacted business within the State of Utah and caused injury within the State of Utah. This dispute arises from Defendants' contacts with this District, and Defendants have purposefully availed themselves of the Utah forum such that they could reasonably anticipate being called to defend themselves in courts within the state. Additionally, Defendants transact substantial business with entities and individuals in Utah by, among other things, committing acts of patent infringement and inducing others to commit acts of patent infringement in Utah, such as by importing, offering to sell, distributing, and selling products that infringe the Snap One Patents, including the Infringing Remotes, in Utah. Thus, requiring Defendants to litigate this case in this Court does not offend traditional notions of fair play and substantial justice and is permitted by the Due Process Clause of the United States Constitution.

16. Venue in this Court is proper under 28 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to the claims in this Complaint occurred in this District. Venue in this Court is also proper under 28 U.S.C. § 1400 because AVA and Josh committed acts of patent infringement, including the joint development and sale of the Infringing Remotes, in this District and AVA has its principal place of business in this District.

17. Finally, venue in this Court is also proper pursuant to a valid forum selection clause in the SDK Agreement between Snap One and Josh.ai.

GENERAL ALLEGATIONS

Snap One's Business

18. Snap One is in the business of designing, manufacturing, and distributing innovative residential and commercial electronics products, services, and software to authorized Dealers.

19. Snap One's product line includes its Control4 automation products, including control systems, lighting, interfaces (including remotes), audio and audiovisual distribution equipment, smart panels, applications, web services, and its proprietary operating system, which it sells exclusively through authorized Dealers.

20. Snap One is the successor-in-interest to Control4 Corporation. In 2019, Utahbased Control4 Corporation merged with North Carolina-based Wirepath Home Systems, LLC, dba SnapAV ("Wirepath"). Shortly thereafter and pursuant to an Assignment and Assumption Agreement, all Control4 Corporation's assets and liabilities, including its dealer agreements, were assigned to Wirepath.

21. In 2021, Wirepath changed its name to Snap One, LLC. Snap One continues to

maintain registered trademarks in the name "Control4" and to sell Control4-branded products to authorized Dealers.¹

22. Control4 branded products are connected devices that end user consumers use in homes and businesses as part of a smart control, automation, and media distribution system. A Control4 controller is central to each Control4 system and allows users to access, control, and manage their various connected devices through the Control4 web or mobile application, as well as from other in-home interfaces such as touch screens and remotes. A typical Control4 system is connected to multiple other devices, such as door locks, lights, speakers, intercoms, garage door openers, touch screens, audiovisual distribution equipment, network systems, power systems, and HVAC systems. As a result, with Control4 technology, the end-user can control and use all those proprietary and third-party products through one application. Control4 systems interoperate with thousands of third-party products.

23. Due, in part, to the complexity of designing and programming the Control4 and third-party products, and to ensure that the Control4 devices are integrated properly with other "smart" products, end users are required to have a Control4 authorized Dealer install and service a Control4 system. The Dealer installs and programs the system and, thereafter, provides ongoing support and maintenance. Programming may be completed on-site or, when authorized by the end user, remotely using Control4's proprietary programming software.

24. Snap One maintains stringent requirements for its authorized Dealer program to protect its end users, brand, and reputation. Dealers that want to sell Control4 products and use

¹ In this Complaint, the entities of Control4 Corporation, WirePath, and Snap One are referred to collectively as "Snap One."

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Control4 software are required to complete a rigorous vetting process, a certification program, receive ongoing training, and operate under the terms of Authorized Dealer Agreements.

25. Snap One also licenses its Control4 software development tools, such as APIs, web services, and software code, to strategic partners who sign license agreements governing the use of such tools. These tools allow Snap One's partners to develop software applications and drivers that interact with Control4 products and systems.

26. Snap One limits access to its Control4 software and development tools to partners that sign license agreements and authorized Dealers that sign Authorized Dealer Agreements. Snap One also prohibits its partners and authorized Dealers from providing access to the Control4 software and systems to any unauthorized individuals or entities.

27. Violations of these agreements can cause significant monetary and reputational damages to Snap One.

Snap One and Josh.ai Enter into the SDK Agreement

On or about April 3, 2017, Snap One entered into an SDK Agreement with JStar,
 LLC, a former operating entity of Josh.ai.

29. Josh.ai is a company that develops and markets voice control technology that can be integrated into smart home devices and systems.

30. Pursuant to the SDK Agreement, Snap One granted Josh.ai a revocable license to use the Development Resources to develop, sell, and distribute application programs for Snap One's Control4 products and systems.

31. Importantly, the SDK Agreement prohibited Josh.ai from (among other things):

- Engaging (or enabling a third party to engage) in any activity that "interferes with, disrupts, damages, or accesses in an unauthorized manner any Control4
 Products."²; and
- b. Using (or enabling a third party to use) the Development Resources to "violate the legal rights (such as Intellectual Property Rights or rights of privacy and publicity) of others," including Snap One.

32. The SDK Agreement also obligated Josh.ai to protect Snap One's intellectual property—including trade secrets, software, code, and designs—contained within any of Josh.ai's applications.

33. Pursuant to the SDK Agreement, Josh.ai released its first integration driver for Control4 in 2017, and Josh.ai and Snap One worked together thereafter to release subsequent versions of the integration for use by their joint customers.

Snap One Purchases NEEO and Develops an Upgraded Neeo Remote

34. On or about February 1, 2019, Snap One acquired all of the shares of NEEO, along with its intellectual property, trade secrets, and other confidential information.

35. At that time, NEEO was well-known in the CEDIA Industry for its development and distribution of the Neeo Remote, an innovative smart home remote and hub system.

36. NEEO began advertising and selling the Neeo Remote in 2015. In its marketing, NEEO prominently featured the remote's "[a]ward winning simplicity and design." The Neeo Remote received several notable design awards, including the 2015 Red Dot Award, the 2015 iF

² "Control4 Products" are defined in the SDK Agreement as "the collective reference to Control4's hardware products, firmware, and software sold or provided by or through Control4."

Design Award, and the 2017 Good Design Award. Its unique design, along with other aspects of the remote, propelled the Neeo Remote to become a one of the most sought-after remote solutions in the CEDIA Industry.

37. The Neeo Remote's popularity in the CEDIA Industry and its acclaimed, distinct, industrial design were primary reasons that Snap One purchased NEEO for millions of dollars. The NEEO intellectual property purchased by Snap One included patents and all other know-how, trade secrets, and other confidential information related to the Neeo Remote.

38. In connection with Snap One's acquisition of NEEO, Raphael Oberholzer, NEEO's former CEO and founder, and other NEEO leaders came to work for Snap One. Mr. Oberholzer signed an Employment Agreement with Snap One, in which he agreed to keep confidential and not use Snap One's trade secrets and other confidential information.

39. While at Snap One, Mr. Oberholzer led a team to develop and release a new and improved Neeo Remote that, although nearly identical in external design to the previous award-winning version, featured several internal technical and software upgrades to improve production and functionality. This upgraded Neeo Remote drew from and combined the intellectual property Snap One acquired from NEEO, intellectual property developed at Snap One after the NEEO acquisition, and Snap One's preexisting intellectual property (collectively, the "Intellectual Property").

40. Snap One released and began selling the upgraded Neeo Remote in 2019. And, since then, Snap One has continued to modify and enhance the Neeo Remote.

Mr. Oberholzer Leaves Snap One

41. Snap One and Mr. Oberholzer eventually agreed to terminate his Employment

Agreement, effective September 30, 2020. In his employment Termination Agreement (the "Termination Agreement"), Mr. Oberholzer reaffirmed his obligation to keep confidential all nonpublic information pertaining to Snap One and its business.

42. In conjunction with the Termination Agreement, Mr. Oberholzer and Snap One also executed a License Agreement (the "License Agreement"), which gave Mr. Oberholzer a non-exclusive, non-sublicensable license to the "Brain Assets." The Brain Assets, as defined in Annex 1 of the License Agreement, consist of (among other things) the software, filesystems, and source code related to the control system associated with the Neeo Remote. They do not include the firmware, drivers, design, and other technologies related to the Neeo Remote itself.

43. The License Agreement provided that the Brain Assets could only be "held and used by one entity or person at a time" and prohibited Mr. Oberholzer from using the Brain Assets to "sell or market any products or services in direct competition with" Snap One for at least two years from the date of the agreement.

44. Snap One also entered into a Consultancy Agreement (the "Consultancy Agreement") with Sichtfeld GmgH ("Sichtfeld"), a company owned by Mr. Oberholzer. Pursuant to the Consultancy Agreement, Sichtfeld agreed to provide specified services to Snap One, including services related to the design and development of the Neeo Remote.

45. The Consultancy Agreement provided, among other things, that any intellectual property, ideas, know-how, or technologies developed by Sichtfeld (with or without others) for Snap One belonged "entirely and exclusively" to Snap One.

46. The Consultancy Agreement further obligated Sichtfeld—and, by extension, Mr. Oberholzer—to keep confidential and not use any information obtained from or developed for Snap One during the consultancy.

47. The Consultancy Agreement terminated on March 31, 2021.

Mr. Oberholzer Launches AVA

48. Around that same time, Mr. Oberholzer co-founded a new company, AVA, with two other former Snap One employees. Together, these individuals recruited and hired other Snap One employees (collectively, the "Former Employees") who worked with them on the development of the upgraded Neeo Remote.

49. These Former Employees signed certain agreements, including employment agreements and/or proprietary information and inventions agreements with Snap One, in which they, like Mr. Oberholzer, agreed to keep confidential and not use Snap One's confidential and trade secret information.

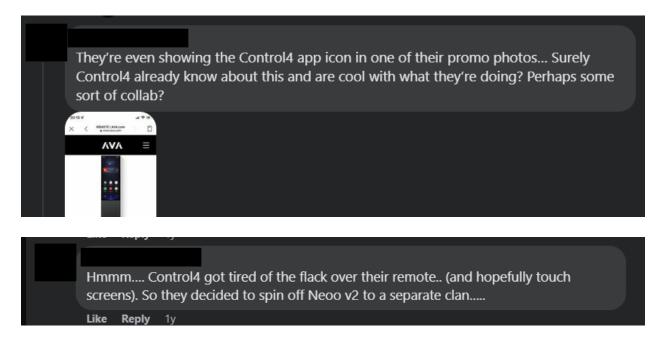
50. At the end of 2021, Mr. Oberholzer contacted Snap One about his work with AVA. At that time, Mr. Oberholzer represented that AVA was involved in developing connected speakers, not a control system or smart home remote. In response, Snap One reiterated that Mr. Oberholzer was not allowed to be involved in a control system or remote company.

AVA Misappropriates the Neeo Remote Technology

51. Approximately two months later, AVA announced the release of the AVA Remote, a smart home remote that was strikingly similar to and directly competed with the Neeo Remote. Indeed, on information and belief, it appears that Mr. Oberholzer and the Former Employees took the Intellectual Property they worked with others to develop while employed at Snap One (or NEEO) and used it to develop the AVA Remote. Likewise, on information and belief, it appears that Mr. Oberholzer improperly gave or sublicensed the Brain Assets to AVA to use in connection with the AVA Remote.

52. In addition to developing a rebranded version of the Neeo Remote, AVA also sought to trade on Snap One's reputation and goodwill by, among other things: (i) improperly using Snap One's Control4 trademarks on its website, in marketing hashtags, and in numerous images of the AVA Remote; (ii) representing that AVA was founded by "Former [Snap One] Executives"; and (iii) advertising the AVA Remote in closed Snap One Dealer groups. Snap One did not authorize or support the interoperation alleged between the AVA Remote and the Control4 platform.

53. AVA's actions created confusion in the CEDIA Industry about Snap One's ownership, support, or sponsorship of the AVA Remote:



54. Dealers also commented on the striking similarities between the remotes, saying

that the AVA remote "[l]ooks just like a neo [sic] remote," and was a "just a Neeo 2.0."

55. Given the market confusion and similarities between the remotes, Snap One sent AVA a letter in March 2022 demanding that it stop using Snap One's Control4 trademarks and representing that the AVA Remote was compatible with Control4 products and systems. Snap One also expressed its belief that the AVA Remote improperly used and infringed on Snap One's Intellectual Property and violated the contractual obligations of Mr. Oberholzer and the Former Employees.

56. After sending the letter, Snap One took steps to restrict AVA's ability to integrate Control4 systems with the AVA Remote and AVA's other products. After several communications between the parties, AVA stopped using the Control4 trademarks and announced that the AVA Remote was not authorized by or affiliated with Snap One.

57. Snap One reserved the right to take further action to protect its Intellectual Property and contractual rights as necessary.

Snap One and Josh.ai Enter into the Distributor Agreement

58. In August 2021, Snap One and Josh.ai decided to expand their relationship and entered into the Distributor Agreement.

59. The Distributor Agreement granted Snap One the exclusive right to sell certain Josh.ai products to Control4 Dealers in North America. It also obligated Josh.ai to refer all Control4 Dealers in North America to purchase its products through Snap One.

60. Relying on the exclusivity granted to it by the agreement and other commitments by Josh.ai, in or around the end of 2021, Snap One purchased millions of dollars' worth of Josh.ai products to sell to Contol4 Dealers.

Josh Breaches and Undermines the Distributor Agreement

61. By the end of December 2022, Snap One's sales of Josh.ai products were significantly lower than expected. The disappointing results were the result of two main factors.

62. *First*, Josh.ai failed to refer all Control4 Dealers that desired to purchase Josh.ai products to Snap One. Instead, unbeknownst to Snap One, Josh.ai continued to market and sell its products to new and existing Control4 Dealers at prices that were lower than Snap One (as a reseller of the products) could offer.

63. Josh.ai's failure to refer new and existing Control4 Dealers to Snap One for Josh.ai products violated the "exclusive right" granted to Snap One in the Distributor Agreement. It also contravened Josh.ai's repeated assurances that Josh.ai was requiring Control4 Dealers, except for certain legacy Josh.ai Dealers that existed at the time of the contract, to purchase Josh.ai products through Snap One.

64. As a result of Josh.ai's breaches of the Distributor Agreement, from December 2021 to November 2022, Snap One lost hundreds of project sales, resulting in over \$1 million in lost revenue. At the same time, Josh.ai directly and materially benefited from Snap One's concentrated marketing efforts related to the partnership. Indeed, based on Snap One's available data, during the first year of the distribution partnership, more Control4 Dealers purchased Josh.ai products from Josh.ai than from Snap One.

65. *Second*, and relatedly, Josh.ai was marketing and selling the products directly to Control4 Dealers at prices well below the suggested reseller prices Snap One could offer. Josh.ai used these lower prices to circumvent its exclusivity obligations to Snap One and persuade Control4 Dealers to purchase Josh.ai products directly from Josh.ai.

66. Josh.ai also relaxed the requirements for Dealers to make direct purchases from Josh.ai and employed promotional pricing that widened the gap between the prices Snap One could offer and those being offered by Josh.ai. At times, this promotional pricing for Dealers was equal to or below the price Snap One paid for the Josh.ai products in its inventory, effectively forcing Snap One to indefinitely store the products or sell them at a loss.

67. Based on these discoveries, Snap One sent Josh.ai a letter on December 30, 2022. In that letter, Snap One demanded that Josh.ai abide by the terms of the agreement and buy back the Josh.ai products in Snap One's inventory that Snap One would have sold had Josh.ai properly required Control4 Dealers to purchase the products from Snap One.

68. In response, Josh.ai denied that it was marketing and selling to Control4 Dealers in violation of the Distribution Agreement and refused to accept the return of inventory. But less than three months later, and contradicting its assurances otherwise, Josh.ai announced a discounted purchasing relationship with ProSource, an industry leading buying group consisting primarily of Control4 Dealers. (*See* <u>https://www.residentialsystems.com/news/josh-ai-and-</u> <u>prosource-announce-partnership.</u>) This further violated the exclusivity provisions in the Distribution Agreement.

69. Having effectively prevented Snap One from selling its inventory, Josh.ai eventually offered to re-purchase the Snap One remaining Josh.ai inventory for approximately 50% less than what Snap One paid Josh.ai for the products. Snap One agreed to mitigate its damages.

Josh.ai and AVA Form a Partnership that Violates the SDK Agreement

70. While Josh was failing to refer Control4 Dealers to Snap One to purchase Josh.ai

products and undercutting Snap One on price, it was also exploring a potential partnership with AVA.

71. In the fall of 2022, Josh.ai and AVA partnered to jointly enable Josh.ai's mobile application and voice control system to run on the AVA Remote.

72. Pursuant to the SDK Agreement, Josh.ai had already integrated Snap One's Control4 platform into Josh.ai's system. Thus, by partnering with Josh.ai and integrating the AVA Remote with Josh.ai's system, AVA surreptitiously gained access to Snap One's Control4 platform—the very platform from which AVA was removed months earlier.

73. Then, in June 2023, Josh.ai announced the release of its own smart home remote—the Josh Remote. On information and belief, AVA provided the hardware, firmware, and industrial design for the Josh Remote. Both Josh.ai and AVA offer the Infringing Remotes for sale to Dealers.

74. Josh.ai and AVA have promoted the Infringing Remotes' ability to access Snap One's Control4 platform through Josh.ai's interface.

75. Josh.ai's distribution of the Josh Remote, and its role in enabling the AVA Remote to access Snap One's Control4 platform, violate the SDK Agreement and has caused (and continues to cause) Snap One significant harm.

Josh.ai and AVA Infringe on Snap One's Intellectual Property

76. In addition to violating the SDK Agreement, Josh.ai and AVA's partnership, joint development, and distribution and sale of the Infringing Remotes infringes on Snap One's valuable Intellectual Property, including Snap One's trade secrets, know-how, trade dress, and patents.

77. As alleged above, after working on teams that developed the upgraded version of the Neeo Remote, Mr. Oberholzer and the Former Employees left Snap One and began working for AVA. On information and belief, in blatant disregard for their contractual obligations, Mr. Oberholzer and the Former Employees took the Intellectual Property they acquired or developed at Snap One (or NEEO) and used it to develop the AVA Remote.

78. Specifically, AVA incorporated or used many aspects of Snap One's IntellectualProperty in the AVA Remote, including:

- Mechanical and circuitry concepts, software code and architecture, and materials incorporated into the Neeo Remote;
- Development, sourcing, manufacturing methods and processes, quality control, and other business processes applied to the design and manufacture of the Neeo Remote;
- c. Supplier, vendor, distributor, and other strategic partner information involved in the design, production, and distribution of the Neeo Remote;
- Products, concepts, systems, or services covered by Snap One's Patents, as further discussed herein; and
- e. Unique and distinctive design characteristics of the Neeo Remote.

79. AVA also improperly used the Brain Assets in connection with the Remote, which it knew or should have known (through Mr. Oberholzer) were non-sublicensable and could not be used to sell or market a product in direct competition with Snap One.

80. After Snap One removed AVA's ability to integrate the Control4 platform into its products, AVA looked for unauthorized ways to access the platform. To that end, it appears that

AVA approached Josh.ai, which had a license to integrate Control4 systems into its applications and interface, about a potential collaboration.

81. On information and belief, Josh.ai saw the collaboration as an opportunity to bypass years of work and intellectual capital needed to develop an innovative smart remote like the Neeo Remote. Accordingly, on information and belief, Josh.ai used Snap One's Intellectual Property improperly incorporated in the AVA Remote and, in conjunction with AVA, developed the Josh Remote to sell to Dealers.

82. Josh.ai knew or should have known that the AVA Remote improperly incorporated Snap One's Intellectual Property when it began its collaboration with AVA. For example, as shown below, the Neeo Remote features a unique and distinctive design that is wellknown in the CEDIA Industry. Josh.ai knew or should have known that AVA misappropriated Snap One's Intellectual Property by looking at the AVA Remote's copycat design.



83. Indeed, after AVA released the AVA Remote, many in the CEDIA Industry suspected that AVA had improperly copied the Neeo Remote. Further, the industry knew that Snap One purchased NEEO and that Mr. Oberholzer and the Former Employees worked for Snap One before starting AVA. Those in the industry also knew that AVA's access to the Control4 platform had been restricted in the spring of 2022 because the AVA Remote no longer worked with Snap One's Control4 smart home platform.

84. Finally, on information and belief, Josh.ai (and AVA) had actual or constructive knowledge of Snap One's patents, given Snap One's position as a leader in the CEDIA Industry and its publicized acquisition of NEEO.

85. Despite this knowledge (or willful ignorance), Josh.ai moved forward on its partnership with AVA, jointly developed the Josh Remote, and profited and continues to profit

from that partnership and its distribution of the Josh Remote.

Defendants' Infringement of Snap One's Patents

86. Snap One is a leader in designing, manufacturing, and distributing innovative home and commercial electronics products, services, and software to authorized Dealers. Certain product development and research divisions of Snap One date back to as early as 1981.

87. When Control4 Corporation first launched in 2003, it revolutionized the automation and control business, providing whole home control. Early product innovations at that time included remote and touch screen interface devices, control systems, audio and media distribution, and certain networked solutions, as shown below.



First Generation Control4 Products

88. Since then, Control4 Corporation (now Snap One) has continued to be at the forefront of innovation and offer cutting-edge technology for its customers' homes and businesses.

89. Snap One's products and services allow end-user customers to, among other things, control and manage network, security, communications, multi-room audio, AV distribution, power, smart lighting, electromechanical, HVAC, surveillance, and numerous other types of electronics systems with products such as control systems, applications, touch screens, keypads, and remotes. Snap One also supports integration with tens of thousands of third-party products to achieve a high level of whole home control.

90. Snap One's patented innovations cover a breadth of areas including control system processes and interfaces, network topology and architecture, mesh networking, remote management software, electrical circuitry design, lighting control, efficient power distribution, energy management, audio playback and distribution, privacy and data protection, keypad and light switch mechanical design, and interface device design.

91. In addition to Snap One's actual development and sale of automation and control products, Snap One has obtained over one hundred patents on these systems. These patents are the result of years of innovation, investment, and hard work that helped Snap One become a leading provider of custom smart-home, control, and automation solutions.

92. Many of Snap One's technological innovations and acquisitions related to its control, automation, remote, audio distribution, and network technologies are protected by, *inter alia*, a portfolio of utility and design patents, including United States Patent Nos. 10,877,623 ("'623 Patent"), 8,375,137 ("'137 Patent"), 11,140,426 ("'426 Patent"), 7,866,338 ("'338 Patent"), and 10,756,984 ("'984 Patent") (collectively, the "Snap One Patents"). Copies of the Snap One Patents are attached as Exhibits A through E.

93. Snap One is the owner of the Snap One Patents and holds all rights, title, and interest in and to the Snap One Patents, including the right to sue and recover for all past, present, and future infringements.

94. Snap One has not authorized, licensed, or otherwise given permission for Defendants to use any of the Snap One Patents or to make, use, offer for sale, or sell any product or service under any claim of the Snap One Patents.

95. Snap One's presence in the market and its portfolio of patents was well-known to Mr. Oberholzer and the Former Employees, all of whom joined AVA after working for Snap One.

96. As NEEO's former CEO, Mr. Oberholzer was also well-aware of the intellectual property and products Snap One acquired from NEEO and Snap One's other intellectual property, especially its remote technology. Indeed, after Snap One's acquisition of NEEO, Mr. Oberholzer (along with the Former Employees) worked on an upgraded version of the Neeo Remote.

97. The Neeo Remote incorporates and relies on technologies protected by at least some of the Snap One Patents. Thus, on information and belief, in working to upgrade the Neeo Remote, Mr. Oberholzer and the Former Employees were aware of at least some of the Snap One Patents.

98. AVA makes, uses, sells, offers for sale, the AVA Remote, AVA Streamer, and AVA Speakers, and other integrated devices, which are shown on <u>https://www.ava.com/</u> (collectively, the "AVA Products").

99. Josh makes, uses, sells, or offers for sale the Josh Remote, Josh Core, Josh Micro, Josh Nano, and other integrated devices, which are shown on <u>https://www.josh.ai/</u> (collectively, the "Josh Products").

100. As detailed more specifically below, AVA and Josh have and continue to directly and indirectly infringe one or more claims of each of the Snap One Patents by making, using, selling, offering for sale in the United States, and/or importing into the United States, the AVA Products and Josh Products to their customers.

Snap One Contacts Josh.ai Regarding Its Misconduct

101. On July 14, 2023, Snap One sent Josh.ai a letter. The letter informed Josh.ai that its partnership with AVA and distribution of the Josh Remote violated the SDK Agreement and infringed on Snap One's Intellectual Property.

102. The letter demanded that Josh.ai: (1) come into compliance with the SDK Agreement, (2) stop providing the AVA Remote and other AVA products with access to the Control4 platform and Snap One's supporting services, and (3) discontinue the use, marketing, distribution, and sale of the Josh Remote. Snap One gave Josh.ai fourteen (14) days to comply with these demands.

103. Over the few weeks, Snap One and Josh.ai exchanged communications, but Josh.ai did not agree to stop providing AVA with unauthorized access to the Control4 platform, nor did it agree to stop distributing and selling the Josh Remote.

104. Instead, Josh.ai continues to partner with AVA, and both companies continue to jointly develop, market, distribute, and sell the Infringing Remotes in violation of their contractual and legal duties to Snap One, forcing Snap One to commence this lawsuit.

FIRST CLAIM FOR RELIEF

(Breach of Contract (SDK Agreement) - Against Josh.ai)

105. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though set forth fully herein.

106. The SDK Agreement is a valid and enforceable contract between Snap One and Josh.ai.

107. Snap One performed its obligations under the SDK Agreement by acting in accordance with the terms set forth therein.

108. The SDK Agreement prohibited Josh.ai from (among other things):

- Engaging (or enabling a third party to engage) in any activity that "interferes with, disrupts, damages, or accesses in an unauthorized manner any Control4 Products"; and
- b. Using (or enabling a third party to use) the Development Resources to "violate the legal rights (such as Intellectual Property Rights or rights of privacy and publicity) of others," including Snap One.

109. The SDK Agreement also obligated Josh.ai to protect Snap One's intellectual property—including trade secrets, software, code, and designs—contained within any of Josh.ai's applications.

- 110. Josh.ai materially breached the SDK Agreement by, among other things:
 - Facilitating AVA's access to the Control4 platform in an unauthorized manner;
 - Marketing, distributing, and selling the Josh Remote, which infringes on Snap One's Intellectual Property, to Dealers; and

 c. Failing to protect Snap One's Control4 platform—which is integrated into Josh.ai's applications—from unauthorized access.

111. As a direct and proximate result of Josh.ai's breaches of the SDK Agreement, Snap One has suffered, and continues to suffer, damages in an amount to be determined at trial but not less than the jurisdictional amount.

SECOND CLAIM FOR RELIEF

(Misappropriation of Trade Secrets in Violation of the DTSA (18 U.S.C. § 1836) – Against All Defendants)

112. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

113. Snap One's Intellectual Property includes certain trade secrets within the definition of 18 U.S.C. § 1839(3). These trade secrets include, among other things: (1) mechanical and circuitry concepts, software code and architecture, and materials incorporated into the Neeo Remote; (2) development, sourcing, manufacturing methods and processes, quality control, and other business processes applied to the design and manufacture of the Neeo Remote; and (3) supplier, vendor, distributor, and other strategic partner information involved in the design, production, and distribution of the Neeo Remote.

114. Snap One has taken reasonable measures to protect these concepts, processes, methods, and techniques by securing them in limited access business and engineering repositories that are secured by cyber, informational, and/or physical protections designed by security experts. Snap One also protects these trade secrets by requiring employees, personnel, and development and manufacturing service providers with access to the trade secrets to sign

contracts agreeing that they will keep confidential and take steps to protect the information from being disclosed.

115. The concepts, processes, methods, and techniques also derive independent economic value, both actual and potential, from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information. Among other things, the trade secret information allows for and promotes unique design aesthetics, reduced supply and design timelines and costs, effective distribution, and increased product performance in the areas of useability, quality, energy efficiency, and added features.

116. AVA acquired Snap One's trade secrets through Mr. Oberholzer and the Former Employees. As alleged above, after Snap One purchased NEEO and all intellectual property related to the Neeo Remote, Mr. Oberholzer came to work for Snap One. At Snap One, Mr. Oberholzer and the Former Employees worked on a team to develop an upgraded version of the Neeo Remote, which incorporated the intellectual property purchased from NEEO and Snap One's preexisting intellectual property and confidential information.

117. On information and belief, when Mr. Oberholzer and the Former Employees left Snap One and started AVA, they took Snap One's trade secrets with them. And, in violation of their various agreements with Snap One, Mr. Oberholzer and the Former Employees used Snap One's trade secrets to develop the AVA Remote for AVA.

118. Josh.ai acquired or used Snap One's trade secrets when it partnered with AVA in the fall of 2022, embedded Josh.ai's applications and remote interface within the AVA Remote,

and (with AVA) developed the Josh Remote. At that time, Josh.ai knew, or had reason to know, that the Infringing Remotes improperly incorporate Snap One's trade secrets.

119. At the very least, Josh.ai knew that the Infringing Remotes improperly incorporate Snap One's trade secrets when Snap One informed it of that fact on July 14, 2023.

120. Defendants continue to use Snap One's trade secrets to manufacture, distribute, and sell the Infringing Remotes.

121. As a direct and proximate result of Defendants' misappropriation of its trade secrets, Snap One has suffered, and continues to suffer, damages in an amount to be determined at trial.

122. Further, Defendants' misappropriation and use of Snap One's trade secrets is willful and malicious. Through Mr. Oberholzer and the Former Employees, AVA was aware of the value of Snap One's trade secrets and the harm it would cause Snap One if they were misappropriated. Nevertheless, AVA used the trade secrets to develop its business and produce a nearly identical remote to the Neeo Remote. Josh.ai became aware of AVA's misconduct, at the latest, in July 2023. Thus, Defendants' conduct is willful and malicious, and the Court may award Snap One multiple damages and attorney fees under 18 U.S.C. §§ 1836(b)(3)(C) and 1836(b)(3)(D).

THIRD CLAIM FOR RELIEF

(Misappropriation of Trade Secrets in Violation of the Utah's Uniform Trade Secrets Act (Utah Code §§ 13-24-1 *et seq.*) – Against All Defendants)

123. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

124. Snap One's Intellectual Property includes certain trade secrets within the definition of Utah Code § 13-24-2(4). These trade secrets include, among other things: (1) mechanical and circuitry concepts, software code and architecture, and materials incorporated into the Neeo Remote; (2) development, sourcing, manufacturing, quality control, and other business processes applied to the design and manufacture of the Neeo Remote; and (3) supplier, vendor, distributor, and other strategic partner information involved in the design, production, and distribution of the Neeo Remote.

125. Snap One has taken reasonable measures to protect these concepts, processes, methods, and techniques by securing them in limited access business and engineering repositories that are secured by cyber, informational, and/or physical protections designed by security experts. Snap One also protects these trade secrets by requiring employees, personnel, and development and manufacturing service providers with access to the trade secrets to sign contracts agreeing that they will keep confidential and take steps to protect the information from being disclosed.

126. The concepts, processes, methods, and techniques also derive independent economic value, both actual and potential, from not being generally known to, and not being readily ascertainable through proper means by, another person who can obtain economic value from the disclosure or use of the information. Among other things, the trade secret information allows for and promotes unique design aesthetics, reduced supply and design timelines and costs, effective distribution, and increased product performance in the areas of useability, quality, energy efficiency, and added features.

127. AVA acquired Snap One's trade secrets through Mr. Oberholzer and the Former Employees. As alleged above, after Snap One purchased NEEO and all intellectual property related to the Neeo Remote, Mr. Oberholzer came to work for Snap One. At Snap One, Mr. Oberholzer and at least some of the Former Employees worked on a team to develop an upgraded version of the Neeo Remote, which incorporated the intellectual property purchased from NEEO and Snap One's preexisting intellectual property and confidential information.

128. On information and belief, when Mr. Oberholzer and the Former Employees left Snap One and started AVA, they took Snap One's trade secrets with them. And, in violation of their various agreements with Snap One, Mr. Oberholzer and the Former Employees used Snap One's trade secrets to develop the AVA Remote for AVA.

129. Josh.ai acquired or used Snap One's trade secrets when it partnered with AVA in the fall of 2022, embedded Josh.ai's applications and remote interface within the AVA Remote, and (with AVA) developed the Josh Remote. At that time, Josh.ai knew, or had reason to know, that the Infringing Remotes improperly incorporate Snap One's trade secrets.

130. At the very least, Josh.ai knew that the Infringing Remotes improperly incorporate Snap One's trade secrets when Snap One informed it of that fact on July 14, 2023.

131. Defendants continue to use Snap One's trade secrets to manufacture, distribute, and sell the Infringing Remotes.

132. As a direct and proximate result of Defendants' misappropriation of its trade secrets, Snap One has suffered, and continues to suffer, damages in an amount to be determined at trial.

133. Further, Defendants' misappropriation and use of Snap One's trade secrets is willful and malicious. Through Mr. Oberholzer and the Former Employees, AVA was aware of the value of Snap One's trade secrets and the harm it would cause Snap One if they were misappropriated. Nevertheless, AVA used the trade secrets to develop its business and develop a nearly identical remote to the Neeo Remote. Josh.ai became aware of AVA's misconduct, at the latest, in July 2023. Thus, Defendants' conduct is willful and malicious, and the Court may award Snap One multiple damages and attorney fees under 18 U.S.C. §§ 1836(b)(3)(C) and 1836(b)(3)(D).

FOURTH CLAIM FOR RELIEF

(Trade Dress Infringement in Violation of Section 43(a) of the Lanham Act – Against All Defendants)

134. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

135. The Neeo Remote has a distinct overall look and feel stemming from, at least, its: (1) machined aluminum housing in anodized black or silver, (2) machined LCD glass fit in an ultra-thin aluminum housing bezel, (3) a touchscreen that includes a maximally active screen area that adjoins a barely visible bezel, (4) a circular docking station composed of inlaid machine aluminum with a magnetic array and added weight, and (5) an exterior shape with its front, back, top, and sides straight and flat with minimal corner radius, and a bottom side with a rounded edge that fits directly into rounded dock opening. The distinct look has remained consistent since the Neeo Remote was first announced for presale in January 2015 until the present day, and Dealers in the CEDIA Industry identify this distinct look and feel with Snap One.

136. The combination of these nonfunctional elements, among others, and the total impression of the Neeo Remote is sufficiently distinct to Dealers in the CEDIA Industry, such that this trade dress identifies Snap One as the source of the Neeo Remote. Within the applicable market for control system remotes, the CEDIA Industry, there are roughly five remote control solutions. As shown below, the Neeo Remote is sufficiently distinct such that none of the aforementioned elements of look and feel have been replicated in any of the other competing remote solutions.



Crestron

TSR-310

CEDIA Control System Market Competing Remote Solutions





RTI

T2i





137. Snap One has extensively marketed and advertised the Neeo Remote to Dealers within the CEDIA Industry. Snap One conservatively estimates that it has spent over \$5 million annually in direct marketing to promote the Neeo Remote and other Control4-branded products.

138. Snap One's efforts helped the Neeo Remote become one of the primary remote solutions in the CEDIA Industry.

139. Through its extensive and continuous use and promotion, the Neeo Remote's trade dress has become a well-known indicator of the origin and modern state-of-the-art quality of the Neeo Remote and has acquired secondary meaning. This distinct trade dress acquired secondary meaning before AVA and Josh.ai commenced their unlawful infringement.

140. Through their production and sale of the Infringing Remotes, Defendants have intentionally, knowingly, deliberately, and willfully infringed (and continue to infringe) Snap One's trade dress rights through their blatant imitation of the Neeo Remote in interstate commerce. This intentional, wrongful imitation includes, but is not limited to: (1) machined aluminum housing in anodized black or silver, (2) machined LCD glass fit in an ultra-thin aluminum housing bezel, (3) a touchscreen that includes a maximally active screen area that adjoins a barely visible bezel, (4) a circular docking station composed of inlaid machine aluminum with a magnetic array and added weight, and (5) an exterior shape with its front, back, top, and sides straight and flat with minimal corner radius, and a bottom side with a rounded edge that fits directly into rounded dock opening.

141. The result, as shown below, is that the look and feel of the Infringing Remotes are virtual copycats of the Neeo Remote.



142. The Infringing Remotes have caused and are likely to continue causing confusion, mistake, or deception as to the source, affiliation, connection, or association of Infringing Remotes with Snap One. This includes, for example, the confusion, mistake, or deception that creates initial customer interest in the Infringing Remotes.

143. As a result of AVA's infringement of Snap One's trade dress, Snap One has suffered substantial harm, including without limitation harm to its reputation, loss of business goodwill, and lost sales. Snap One has suffered, and continues to suffer, damages in an amount to be determined at trial.

144. Snap One has also suffered and continues to suffer immediate and irreparable injury for which it has no adequate remedy at law. Snap One is therefore entitled to injunctive

relief and up to three times its actual damages and/or an award of Defendants' profits, as well as costs and Snap One's reasonable attorney fees under 15 U.S.C. §§ 1116–17.

FIFTH CLAIM FOR RELIEF

(Infringement of U.S. Patent No. 10,877,623 – Against All Defendants)

145. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

146. The '623 Patent was filed on June 13, 2008, and was duly and legally issued by the U.S. Patent and Trademark Office on December 29, 2020, entitled, "Dynamic interface for remote control of a home automation network."

147. Snap One is the owner by assignment of the '623 Patent. A copy of the '623 Patent is attached hereto as Exhibit A. Snap One holds all rights, title, and interest to the '623 Patent, including the sole and exclusive right to bring a claim for its infringement.

148. The '623 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

149. The '623 Patent is generally directed to a "remote control for a home automation network."

150. The '623 Patent teaches technology improvements regarding the usability and performance of a smart remote control for a home automation system that efficiently connects and controls a variety of devices, such as lights, speakers, climate control, and audio/visual equipment. This technology improves an end user's control of her smart-home devices, for example, by dynamically configuring and remapping the displayed elements and selection operations for a user interface of the remote control as the end user selects or scrolls between

device options on the remote control. The inventions described in the '623 Patent represent improvements in the art.

151. AVA and Josh.ai manufacture (or have manufactured), sell and offer to sell, among other things, smart-home remotes that are integrated with a home automation network and products. Such products include the AVA Remote and the Josh.ai Remote, as well as components thereof.

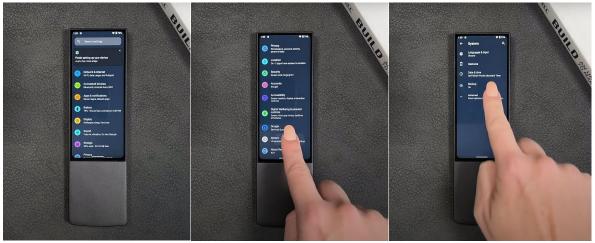
152. The "'623 Infringing Devices" includes at least any of the Infringing Remotes, as defined herein which comprises of the AVA Remote and the Josh Remote, as well as the Josh Core, as depicted at <u>https://www.josh.ai/core/</u>.

153. AVA and Josh.ai import, make, use, sell, and/or offer to sell the '623 Infringing Devices, as well as components including accessories and associated software for use with the '623 Infringing Devices to provide access and integration to home automation networks that connect to a variety of devices such as lights, speakers, climate control, and audio/visual equipment, where, on information and belief, the different automation devices have different control options that use respective mappings of the user input operations as a user scrolls and selects between different automation devices on the user interface of the '623 Infringing Devices.

154. Defendants are liable for their infringement of the '623 Patent pursuant to 35U.S.C. §§ 271(a), (b), and (c).

155. The '623 Infringing Devices are covered, either literally or under the doctrine of equivalents, by one or more claims of the '623 Patent. For example, at a minimum, the '623 Infringing Devices connect to a home automation network in a manner that embodies one or more claimed inventions in the '623 Patent, including at least claim 24. Some examples of the

AVA Remote and Josh Remote for a home automation network for with control operations and mapping is shown below:



https://www.youtube.com/watch?v=bF98PcvA5ec&t=6s&ab_channel=SmashTech_



https://www.ava.com/remote



https://youtu.be/zHWSjLvnKRg?t=694.

156. As shown in the examples above and further described below, the '623 Infringing Devices meet the limitations of claim 24.

157. For example, the '623 Infringing Devices and associated components/software include a display device that displays a menu to a user that can be used with an automation controller.

158. The '623 Infringing Devices and associated components/software include a transceiver for communicating with the remote. The '623 Infringing Devices and associated components/software further include memory capacity and present menu items from the automation controller. The user can navigate through the menu items by scrolling and selecting menu items.

159. The '623 Infringing Devices and associated components/software include the ability to communicate with the automation controller to control lighting dimmers and switches, audio/visual equipment, and climate control in response to control messages from the remote. *See e.g.*, <u>https://www.ava.com/featured-partners</u>.

160. Defendants conduct, as set forth herein, have directly infringed and continue to directly infringe one or more claims of the '623 Patent, including at least claim 24, by making, using, selling, offering for sale within the United States, and/or importing into the United States products, systems, and/or services, in violation of at least 35 U.S.C. §§ 271(a) and 281 *et seq*.

161. Additionally, Defendants have indirectly infringed and continue to indirectly infringe one or more of the claims of the '623 Patent, in violation of 35 U.S.C. § 271(b), by knowing and intentionally inducing infringement of the '623 Patent, literally and/or under the doctrine of equivalents.

162. Defendants have and continue to actively induce their inducing its customers to sell and/or use the '623 Infringing Devices in a manner directly infringing one or more claims of the '623 Patent, including at least claim 24. On information and belief, (a) Defendants have had actual or constructive knowledge of the '623 Patent, or at least have actual knowledge as of filing of this Complaint, (b) Defendants intentionally cause, urge, or encourage users of the '623 Infringing Devices to directly infringe one or more claims of the '623 Patent by, for example, promoting, advertising, and instructing customers and potential customers about the '623 Infringing Devices and uses thereof, including infringing uses, (c) Defendants know (or should know) that their actions will induce customers/users of the '623 Infringing Devices to directly infringe one or more claims of the '623 Infringing Devices to directly infringe one or more claims of the '623 Infringing Devices to directly infringe one or more solution of the '623 Infringing Devices to directly infringe one or more claims of the '623 Infringing Devices to directly infringe one or more claims of the '623 Infringing Devices to directly infringe one or more claims of the '623 Infringing Devices to directly infringe one or more claims the '623 Patent, and (d) customers/users of '623 Infringing Devices directly infringe one or more claims of the '623 Patent.

163. In addition, Defendants have supplied and continue to supply the '623 Infringing Devices to customers while knowing that use (and inducing such use) of the '623 Infringing Devices will infringe one or more claims of the '623 Patent, and that Defendants' customers then directly infringe one or more claims of the '623 Patent by selling and/or using the '623 Infringing Devices.

164. Additionally, Defendants have indirectly infringed and continue to indirectly infringe one or more of the claims of the '623 Patent, in violation of 35 U.S.C. § 271(c), by offering to sell or selling within the United States, or importing into the United States, components in connection with the '623 Infringing Devices that contribute to the direct infringement of the '623 Patent by customers/users of the '623 Infringing Devices.

165. On information and belief, (a) Defendants have actual or constructive knowledge of the '623 Patent, or at least have knowledge at the time of this suit, (b) Defendants offer or sale, sell, or import Infringing Remote products that comprise one or more material components of the invention of the '623 Patent and are not staple articles of commerce suitable for substantial non-infringing use, (c) Defendants know (or should know) that such component(s) are especially made or especially adapted for use in an infringement of the '623 Patent, and (d) customers/users of the '623 Infringing Devices comprise such material component(s) directly infringe one or more claims of the '623 Patent. For example, at a minimum, Defendants offer for sale, sell, and/or import '623 Infringing Devices that comprise software and/or hardware components adapted for use in one or more inventions claimed in the '623 Patent, and Defendants' customers then directly infringe one or more claims of the '623 Patent by selling and/or using the '623 Infringing Devices that comprise these components.

166. AVA and Josh.ai import, make, use, sell, and/or offer to sale the '623 Infringing Devices, despite an objectively high likelihood that their actions constitute infringement.

167. Snap One has satisfied the statutory requirements to collect pre-suit damages for infringement of each of the Snap One Patents, including, without limitation, any applicable provisions of 35 U.S.C. § 287, by, at least, providing notice via a website made available at https://www.control4.com/legal/patents/.

168. Defendants' acts of infringement have caused damage to Snap One, and Snap One is entitled to recover the damages sustained because of Defendants' wrongful acts including lost profits but in no event less than a reasonable royalty in an amount to be determined including any further relief, such as compensatory or equitable, as deemed proper and just by the Court.

169. Snap One is also entitled to injunctive relief because Defendants' infringement of the '623 Patent has and will continue to irreparably harm Snap One's business, for which there is no adequate remedy at law.

170. Defendants knew at least as early as the filing of this Complaint that, through its encouragement, the '623 Infringing Devices would result in infringement of one or more claims of the '623 Patent.

171. Despite having actual knowledge, Defendants have continued to carry out infringing activities. Defendants have had actual knowledge, or at least constructive knowledge, of the '623 Patent. Defendants have known, or have been willfully blind, to the existence of the '623 Patent and associated infringement thereof.

172. Defendants have had notice and have willfully infringed or continue to willfully infringe the '623 Patent as of the filing of this Complaint, entitling Snap One to increased damages under 35 U.S.C. § 284 and to attorney fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

173. By reason of the foregoing, Snap One is entitled to relief against Defendants, pursuant to at least 35 U.S.C. §§ 283–85.

SIXTH CLAIM FOR RELIEF

(Infringement of U.S. Patent No. 8,375,137 – Against AVA)

174. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

175. The '137 Patent was filed on July 22, 2009, and was duly and legally issued by the U.S. Patent and Trademark Office on Feb. 12, 2013, entitled, "System and method for

streaming audio using a send queue." Snap One holds all rights, title, and interest to the '137 Patent, including the sole and exclusive right to bring a claim for its infringement.

176. Snap One is the owner by assignment of the '137 Patent. A copy of the '137 Patent is attached hereto as Exhibit B.

177. The '137 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

178. The '137 Patent is generally directed to a streaming audio that is "played simultaneously across multiple rooms."

179. The '137 Patent teaches technology improvements addressing and overcoming problems with streaming audio to multi-speaker rooms or room systems, for example, such that a client device providing media playback can receive a pre-buffered amount of data of the media stream to fill the media client's user buffer upon an activation event, thereby improving the art.

180. AVA manufactures and sells, among other things, streaming systems that integrate with speakers.

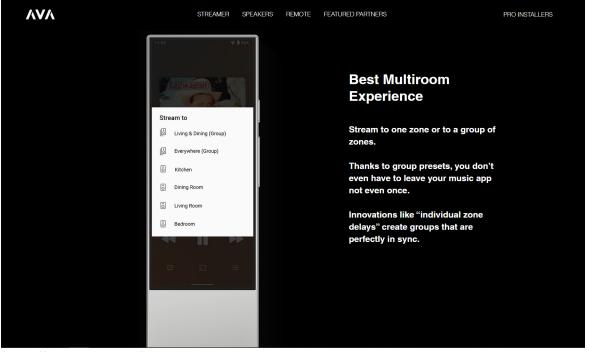
181. The "AVA System" comprises at least, any of the AVA Remote as defined herein, AVA Streamer as described at <u>https://www.ava.com/streamer</u>, and the AVA Speakers, as described at <u>https://www.ava.com/speakers</u>.

182. On information and belief, AVA imports, makes, uses, sells, and/or offers to sell AVA Devices, as well as components (which further includes any accessories) including software associated therewith and for use with the AVA System to provide access and integration to AVA Speakers streaming audio to multi-speaker rooms or room systems, such that

a speaker can receive a pre-buffered amount of data of the media stream to fill the media client's user buffer upon an activation event.

183. AVA is liable for its infringement of the '137 Patent pursuant to 35 U.S.C. §§271(a), (b), and (c).

184. The AVA System is covered, either literally or under the doctrine of equivalents, by one or more claims of the '137 Patent. For example, at a minimum, the AVA System connects to a system for streaming audio to multiple speakers in a manner that embodies one or more claimed inventions in the '137 Patent, including at least claim 1. Some examples of the system for streaming audio to multiple speakers is shown below:



https://www.ava.com/streamer

185. As shown above and described below, the AVA System meets the limitations of claim 1. For example, the AVA System and associated components/software includes a streaming media system configured to prepare to stream media, such as audio.

186. The AVA System and associated components/software include a media server, such as the AVA Streamer, to send out media packets for an audio media stream.

187. On information and belief, the AVA System and associated components/software include a framer in the media server to divide the frames of a media stream into packets. The packets can be received by the media client, such as the AVA Speaker, for example, to playback the frames of the media stream received from the media server.

188. On information and belief, the AVA System and associated components/software includes a speaker to store an amount of the packetized media stream provided by the AVA Streamer to fill the speaker's buffer by transferring multiple frames from a send queue of the AVA streamer in a single packet.

189. AVA's conduct, as set forth herein, has directly infringed and continues to directly infringe one or more claims of the '137 Patent, including at least claim 1, by making, using, selling, offering for sale within the United States, and/or importing into the United States products, systems, and/or services, in violation of at least 35 U.S.C. §§ 271(a) and 281 *et seq*.

190. Additionally AVA has indirectly infringed and continues to indirectly infringe one or more of the claims of the '137 Patent, in violation of 35 U.S.C. § 271(b), by knowing and intentionally inducing infringement of the '137 Patent, literally and/or under the doctrine of equivalents. AVA has and continues to actively induce their customers to sell and/or use the AVA System in a manner directly infringing one or more claims of the '137 Patent, including at least claim 1.

191. On information and belief, (a) AVA has had actual or constructive knowledge of the '137 Patent, or at least has actual knowledge as of the filing of this Complaint, (b) AVA

intentionally causes, urges, or encourages users of the AVA System to directly infringe one or more claims of the '137 Patent by, for example, promoting, advertising, and instructing customers and potential customers about the AVA System and uses thereof, including infringing uses, (c) AVA knows (or should know) that its actions will induce customers/users of the AVA System to directly infringe one or more claims of the '137 Patent, and (d) customers/users of AVA System directly infringe one or more claims of the '137 Patent. In addition, AVA has supplied and continues to supply the AVA System to customers while knowing that use (and inducing such use) of the AVA System will infringe one or more claims of the '137 Patent by selling and/or using the AVA System.

192. Additionally, AVA has indirectly infringed and continues to indirectly infringe one or more of the claims of the '137 Patent, in violation of 35 U.S.C. § 271(c), by offering to sell or selling within the United States, or importing into the United States, components in connection with the AVA System that contribute to the direct infringement of the '137 Patent by users of the AVA System.

193. On information and belief, (a) AVA has actual or constructive knowledge of the '137 Patent, or at least have knowledge at the time of this suit, (b) AVA offers or sales, sells, or imports the AVA System products that comprise one or more material components of the invention of the '137 Patent and are not staple articles of commerce suitable for substantial noninfringing use, (c) AVA knows (or should know) that such component(s) are especially made or especially adapted for use in an infringement of the '137 Patent, and (d) customers/users of the AVA System comprise such material component(s) directly infringe one or more claims of

the '137 Patent. For example, at a minimum, AVA offers for sale, sells, and/or imports the AVA System that comprises software and/or hardware components adapted for use in one or more inventions claimed in the '137 Patent, and AVA's customers then directly infringe one or more claims of the '137 Patent by selling and/or using the AVA System that comprise these components.

194. AVA imports, makes, uses, sells, and/or offers to sale the AVA System, despite an objectively high likelihood that their actions constitute infringement.

195. Snap One has satisfied the statutory requirements to collect pre-suit damages for infringement of each of the Snap One Patents, including, without limitation, any applicable provisions of 35 U.S.C. § 287, by, at least, providing notice via a website made available at https://www.control4.com/legal/patents/.

196. AVA's acts of infringement have caused damage to Snap One, and Snap One is entitled to recover the damages sustained because AVA's wrongful acts including lost profits but in no event less than a reasonable royalty in an amount to be determined including any further relief, such as compensatory or equitable, as deemed proper and just by the Court.

197. Snap One is also entitled to injunctive relief because AVA's infringement of the '137 Patent will continue to damage Snap One's business, causing irreparable harm, for which there is no adequate remedy at law.

198. AVA knew at least as early as the filing of this Complaint that, through its encouragement, the '137 AVA System would result in infringement of one or more claims of the '137 Patent.

199. Despite having actual knowledge, AVA has continued to carry out infringing activities. AVA has had actual knowledge, or at least constructive knowledge, of the '137 Patent. AVA has known, or have been willfully blind, to the existence of the '137 Patent and associated infringement thereof.

200. AVA has had notice and has willfully infringed and continues to willfully infringe as of the filing of this Complaint the '137 Patent, entitling Snap One to increased damages under 35 U.S.C. § 284 and to attorney fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

201. By reason of the foregoing, Snap One is entitled to relief against AVA pursuant to at least 35 U.S.C. §§ 283–85.

SEVENTH CLAIM FOR RELIEF

(Infringement of U.S. Patent No. 11,140,426 – Against Josh.ai)

202. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

203. The '426 Patent was filed on July 11, 2019, and was duly and legally issued by the U.S. Patent and Trademark Office on Oct. 5, 2021, entitled, "Streaming media multiplexing with a media proxy."

204. Snap One is the owner by assignment of the '426 Patent. A copy of the '426 Patent is attached hereto as Exhibit C. Snap One holds all rights, title, and interest to the '426 Patent, including the sole and exclusive right to bring a claim for its infringement.

205. The '426 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

206. The '426 Patent is generally directed to a "method for communicating from one device to a plurality of receiving devices."

207. The '426 Patent teaches technology improvements relating to an intercom or paging system for a multi-room audio format that provides a way for one calling device to use a media multiplexer and media proxy for broadcast communications with several callee devices and then to switch to exclusive communication with just one callee device. The inventions described in the '426 Patent represent improvements in the art.

208. Josh.ai manufactures and sells, among other things, intercom communication devices for the home that can communicate with several other devices.

209. The "Josh User Communication Features" includes at least any of the Josh Core as defined herein, the Josh Nano, as depicted at <u>https://www.josh.ai/nano/</u>, the Josh Micro as depicted at <u>https://www.josh.ai/micro/</u>, and features including the intercom, announcement, and other communication capabilities.

210. On information and belief, Josh.ai imports, makes, uses, sells, and/or offers to sell Josh User Communication Features, as well as components (which further includes any accessories) including software associated with and for use with the Josh User Communication Features to provide an intercom or paging system for a multi-room audio format that provides a way for one calling device to use a media multiplexer and media proxy for broadcast communications with several callee devices and then to switch to exclusive communication with just one callee device.

211. Josh.ai is liable for its infringement of the '426 Patent pursuant to 35 U.S.C. §§ 271(a), (b), and (c).

212. The Josh User Communication Features is covered, either literally or under the doctrine of equivalents, by one or more claims of the '426 Patent. For example, at a minimum, the Josh User Communication Features connect to a home automation network in a manner that embodies one or more claimed inventions in the '426 Patent, including at least claim 1. An example of the intercom system for a home automation network with the ability to communication with several devices and in a two-way intercom functionality is shown below:

To kick things off, Josh.ai has announced the company's first touchless home intercom feature. With homeowners communicating to their Josh.ai systems every day and adding more microphones in areas of their homes, it was a natural next step to empower families to communicate directly with each other in their living spaces. While Josh.ai users were already using one-way announcements to send a message to a single room or throughout a home, two-way intercom functionality via Josh Micro and Josh Nano expands the possibilities.

By adding intercom functionality, Josh.ai is increasing its value and enabling households to connect in new ways. This feature is now available to new and existing Josh.ai clients at no additional charge.

https://www.cepro.com/control/josh-ai-announces-updates-enhancements-during-cedia-expo-2021/

213. As shown above and described below, the Josh User Communication Features and associated components/software meets the limitations of claim 1. For example, the Josh User Communication Features and associated components/software uses a plurality of receiving devices such as the Josh Nano and Josh Micro.

214. Josh User Communication Features and associated components/software includes receiving a request for a call and media from one device at a Josh Core or the Josh Nano. On

information and belief, the Josh Core then allocates or establishes communication channels for a plurality of receiving devices, such as the Josh Nano and Josh Micro.

215. On information and belief, the Josh User Communication Features closes communication channels for all receiving devices except one.

216. Josh.ai's conduct, as set forth herein, has directly infringed and continues to directly infringe one or more claims of the '426 Patent, including at least claim 1, by making, using, selling, offering for sale within the United States, and/or importing into the United States products, systems, and/or services, in violation of at least 35 U.S.C. §§ 271(a) and 281 *et seq*.

217. Additionally, Josh.ai has indirectly infringed and continues to indirectly infringe one or more of the claims of the '426 Patent, in violation of 35 U.S.C. § 271(b), by knowing and intentionally inducing infringement of the '623 Patent, literally and/or under the doctrine of equivalents. Josh.ai has and continues to actively induce their inducing its customers to sell and/or use the Josh User Communication Features in a manner directly infringing one or more claims of the '426 Patent, including at least claim 1.

218. On information and belief, (a) Josh.ai has had actual or constructive knowledge of the '426 Patent or, at least, has actual knowledge as of the filing of this Complaint, (b) Josh.ai intentionally causes, urges, or encourages users of the Josh User Communication Features to directly infringe one or more claims of the '426 Patent by, for example, promoting, advertising, and instructing customers and potential customers about the Josh User Communication Features and uses thereof, including infringing uses (c) Josh.ai knows (or should know) that its actions will induce customers/users of the Josh User Communication Features to directly infringe one or more claims the '426 Patent, and (d) customers/users of Josh User Communication Features

directly infringe one or more claims of the '426 Patent. In addition, Josh.ai has supplied and continues to supply the Josh User Communication Features to customers while knowing that use (and inducing such use) of the Josh User Communication Features will infringe one or more claims of the '426 Patent, and that Josh.ai's customers then directly infringe one or more claims of the '426 Patent by selling and/or using the Josh User Communication Features.

219. Additionally, Josh.ai has indirectly infringed and continue to indirectly infringe one or more of the claims of the '426 Patent, in violation of 35 U.S.C. § 271(c), by offering to sell or selling within the United States, or importing into the United States, components in connection with the Josh User Communication Features that contribute to the direct infringement of the '426 Patent by users of the Josh User Communication Features.

220. On information and belief, (a) Josh.ai has actual or constructive knowledge of the '426 Patent, or at least have knowledge at the time of this suit, (b) Josh.ai offers or sale, sells, or imports the Josh User Communication Features products that comprise one or more material components of the invention of the '426 Patent and are not staple articles of commerce suitable for substantial non-infringing use, (c) Josh.ai knows (or should know) that such component(s) are especially made or especially adapted for use in an infringement of the '426 Patent, and (d) customers/users of the Josh User Communication Features that comprise such material component(s) directly infringe one or more claims of the '426 Patent. For example, at a minimum, Josh.ai offers for sale, sells, and/or imports Josh User Communication Features that comprise software and/or hardware components adapted for use in one or more inventions claimed in the '426 Patent, and Josh.ai's customers then directly infringe one or more claims of

the '426 Patent by selling and/or using the Josh User Communication Features that comprise these components.

221. Josh.ai imports, makes, uses, sells, and/or offers to sale the Josh User Communication Features, despite an objectively high likelihood that their actions constitute infringement.

222. Snap One has satisfied the statutory requirements to collect pre-suit damages for infringement of each of the Snap One Patents, including, without limitation, any applicable provisions of 35 U.S.C. § 287, by, at least, providing notice via a website made available at https://www.control4.com/legal/patents/.

223. Josh.ai's acts of infringement have caused damage to Snap One, and Snap One is entitled to recover for the damages sustained because of Josh.ai's wrongful acts including lost profits but in no event less than a reasonable royalty in an amount to be determined including any further relief, such as compensatory or equitable, as deemed proper and just by the Court.

224. Snap One is also entitled to injunctive relief because Josh.ai's infringement of the '426 Patent will continue to damage Snap One's business, causing irreparable harm, for which there is no adequate remedy at law.

225. Josh.ai knew at least as early as the filing of this Complaint that, through its encouragement, the Josh User Communication Features would result in infringement of one or more claims of the '426 Patent.

226. Despite having actual knowledge, Josh.ai has continued to carry out infringing activities. Josh.ai has had actual knowledge, or at least constructive knowledge, of the '426

Patent. Josh.ai has known, or have been willfully blind, to the existence of the '426 Patent and associated infringement thereof.

227. Josh.ai has had notice and has willfully infringed and continue to willfully infringe the '426 Patent, entitling Snap One to increased damages under 35 U.S.C. § 284 and to attorney fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

228. By reason of the foregoing, Snap One is entitled to relief against Josh, pursuant to at least 35 U.S.C. §§ 283–85.

EIGHTH CLAIM FOR RELIEF

(Infringement of U.S. Patent No. 7,886,338 - Against Josh.ai)

229. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

230. The '338 Patent was filed on Oct. 9, 2007, and was duly and legally issued by the U.S. Patent and Trademark Office on Feb. 8, 2011, entitled, "System and method for controlling access to local services without losing failover capibilty [*sic*]."

231. Snap One is the owner by assignment of the '338 Patent. A copy of the '338 Patent is attached hereto as Exhibit D. Snap One holds all rights, title, and interest to the '338 Patent, including the sole and exclusive right to bring a claim for its infringement.

232. The '338 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

233. The '338 Patent is generally directed to controlling devices in a home automation network, for example, to "restrict access to different services that are provided through automated, networked devices."

234. The '338 Patent teaches technology improvements addressing and overcoming problems arising in centrally controlled homes, and, for example, teaches putting some networked devices (e.g., a speaker with a microphone) into an intermediate state (e.g., privacy mode) to restrict operation of the devices, and, for example, teaches a timer procedure to switch from fully operational to an intermediate state, thereby improving the art.

235. Josh.ai manufactures and sells, among other things, smart-home voice control devices that are integrated with a home automation network and products.

236. The "Josh Control Devices" includes at least the Josh Core, Josh Nano and Josh Micro.

237. On information and belief, Josh.ai imports, makes, uses, sells, and/or offers to sell Josh Control Devices, as well as components (which further includes any accessories) including software associated with and for use with the Josh Control Devices to provide access and integration to home automation networks that allows for some networked devices (i.e., a speaker with a microphone) to be put into an intermediate state (e.g., privacy mode) to restrict operation of the devices, and a timer procedure to switch from fully operational to an intermediate state.

238. Josh.ai is liable for its infringement of the '338 Patent pursuant to 35 U.S.C. §§271(a), (b), and (c).

239. The Josh Control Devices are covered, either literally or under the doctrine of equivalents, by one or more claims of the '338 Patent. For example, at a minimum, the Josh Control Devices connect to a home automation network in a manner that embodies one or more claimed inventions in the '338 Patent, including at least claim 1. Some examples of the

networked devices to be put in an offline state to restrict operation of the devices, and a timer procedure to switch from online to offline state. Is shown below:



Privacy is paramount

At Josh.ai, we believe that trust makes a house a home. Josh Nano is equipped with a disconnect switch, which disables its microphones completely. Rest assured that what is said behind closed doors stays there.

240. As shown above and described below, the Josh Control Devices meet the limitations of claim 1. For example, the Josh Control Devices and associated components/software includes setting a state of a networked device to fully operational state.

241. The Josh Control Devices and associated components/software includes sending signaling to the Josh Core requesting changing the state of the device, such as, for example, but not limited to, signaling for putting the device into privacy mode and, on information and belief, timer procedures to switch from fully operational to an intermediate state, such as the privacy mode.

242. Josh.ai's conduct, as set forth herein, has directly infringed and continues to directly infringe one or more claims of the '338 Patent, including at least claim 1, by making, using, selling, offering for sale within the United States, and/or importing into the United States products, systems, and/or services, in violation of at least 35 U.S.C. §§ 271(a) and 281 *et seq*.

243. Additionally, Josh.ai has indirectly infringed and continues to indirectly infringe one or more of the claims of the '338 Patent, in violation of 35 U.S.C. § 271(b), by knowing and intentionally inducing infringement of the '338 Patent, literally and/or under the doctrine of equivalents. Josh.ai has and continues to actively induce its customers to sell and/or use the Josh Control Devices in a manner directly infringing one or more claims of the '338 Patent, including at least claim 1.

244. On information and belief, (a) Josh.ai has had actual or constructive knowledge of the '338 Patent, or at least have actual knowledge as of the filing of this Complaint, (b) Josh.ai intentionally causes, urges, or encourages users of the Josh Control Devices to directly infringe one or more claims of the '338 Patent, for example, by promoting, advertising, and instructing customers and potential customers about the Josh System and uses thereof, including infringing uses (c) Josh.ai knows (or should know) that their actions will induce customers/users of the Josh Control Devices to directly infringe one or more claims the '338 Patent, and (d) customers/users of Josh Control Devices directly infringe one or more claims of the '338 Patent. In addition, Josh.ai has supplied and continue to supply the Josh Control Devices to customers while knowing that use (and inducing such use) of the Josh Control Devices will infringe one or more claims of the '338 Patent, and that Josh.ai's customers then directly infringe one or more claims of the '338 Patent by selling and/or using the Josh Control Devices.

245. Additionally, Josh.ai has indirectly infringed and continues to indirectly infringe one or more of the claims of the '338 Patent, in violation of 35 U.S.C. § 271(c), by offering to sell or selling within the United States, or importing into the United States, components in

connection with the Josh Control Devices that contribute to the direct infringement of the '338 Patent by users of the Josh Control Devices.

246. On information and belief, (a) Josh.ai has actual or constructive knowledge of the '338 Patent, or at least has knowledge at the time of this suit, (b) Josh.ai offers or sale, sell, or import the Josh Control Devices products that comprise one or more material components of the invention of the '338 Patent and are not staple articles of commerce suitable for substantial noninfringing use, (c) Josh.ai knows (or should know) that such component(s) are especially made or especially adapted for use in an infringement of the '338 Patent, and (d) customers/users of the Josh Control Devices comprising such material component(s) directly infringe one or more claims of the '338 Patent. For example, at a minimum, Josh.ai offers for sale, sell, and/or import Josh Control Devices that comprise software and/or hardware components adapted for use in one or more inventions claimed in the '338 Patent, and Josh.ai's customers then directly infringe one or more claims of the '338 Patent by selling and/or using the Josh Control Devices that comprise these components.

247. Josh.ai imports, makes, uses, sells, and/or offers to sale the Josh Control Devices, despite an objectively high likelihood that their actions constitute infringement.

248. Snap One has satisfied the statutory requirements to collect pre-suit damages for infringement of each of the Snap One Patents, including, without limitation, any applicable provisions of 35 U.S.C. § 287, by, at least, providing notice via a website made available at https://www.control4.com/legal/patents/.

249. Josh.ai's acts of infringement have caused damage to Snap One, and Snap One is entitled to recover the damages sustained because of Josh.ai's wrongful acts including lost profits

but in no event less than a reasonable royalty in an amount to be determined including any further relief, such as compensatory or equitable, as deemed proper and just by the Court.

250. Snap One is also entitled to injunctive relief because Josh.ai's infringement of the '338 Patent will continue to damage Snap One's business, causing irreparable harm, for which there is no adequate remedy at law.

251. Josh.ai knew at least as early as the filing of this Complaint that, through its encouragement, the Josh Control Devices would result in infringement of one or more claims of the '338 Patent.

252. Despite having actual knowledge, Josh.ai has continued to carry out infringing activities. Josh.ai has had actual knowledge, or at least constructive knowledge, of the '338 Patent. Josh.ai has known, or have been willfully blind, to the existence of the '338 Patent and associated infringement thereof.

253. Josh.ai has had notice and have willfully infringed and continue to willfully infringe the '338 Patent, entitling Snap One to increased damages under 35 U.S.C. § 284 and to attorney fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

254. By reason of the foregoing, Snap One is entitled to relief against Josh, pursuant to at least 35 U.S.C. §§ 283–85.

NINTH CLAIM FOR RELIEF

(Infringement of U.S. Patent No. 10,756,984 – Against Josh.ai)

255. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though fully set forth herein.

256. The '984 Patent was filed on June 26, 2015, and was duly and legally issued by the U.S. Patent and Trademark Office on Aug. 25, 2020, entitled, "Method and apparatus for creating and managing network device port VLAN configurations."

257. Snap One is the owner by assignment of the '984 Patent. A copy of the '984 Patent is attached hereto as Exhibit E. Snap One holds all rights, title, and interest to the '984 Patent, including the sole and exclusive right to bring a claim for its infringement.

258. The '984 Patent is valid, enforceable, was duly and legally issued by the U.S. Patent and Trademark Office in full compliance with Title 35 of the United States Code.

259. The '984 Patent is generally directed to "a user interface for creating and managing network device port VLAN configurations."

260. The '984 Patent teaches technology improvements for a network, including a client, connected to a network device (e.g., a switch) having a plurality of ports, for configuring different ports of the network device to have different VLAN assignments using a graphical user interface provided by the client, thereby improving the art.

261. Josh.ai manufactures and sells, among other things, smart-home devices that are integrated with a home automation network and products.

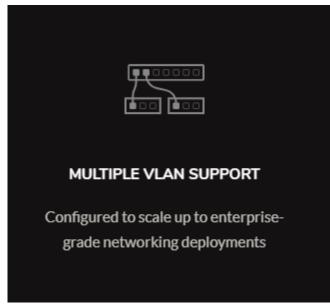
262. The "Josh Core" includes at least the Josh Core device as depicted at <u>https://www.josh.ai/core/</u>.

263. On information and belief, Josh.ai imports, makes, uses, sells, and/or offers to sell, as well as components (which further includes any accessories) including software associated with and for use with the Josh Core to provide a client, connected to a network device

(e.g., a switch) having a plurality of ports, for configuring different ports of the network device to have different VLAN assignments using a graphical user interface provided by the client.

264. Josh.ai is liable for its infringement of the '984 Patent pursuant to 35 U.S.C. §§ 271(a), (b), and (c).

265. The Josh Core is covered, either literally or under the doctrine of equivalents, by one or more claims of the '984 Patent. For example, at a minimum, the Josh Core connects to a home automation network in a manner that embodies one or more claimed inventions in the '984 Patent, including at least claim 1. Some examples of the system configured for multiple VLAN support including a graphical user interface for a plurality of ports is shown below:



https://www.josh.ai/core/

266. As shown above and described below, the Josh Core meets the limitations of claim 1.

267. For example, on information and belief, the Josh Core and associated components/software includes a network device that is configured with a graphical user interface

including a plurality of ports and a configuration interface enabling the user to make VLAN assignment for each of a plurality of ports, for example, that are connected to Josh Micros located in different rooms.

268. Josh.ai's conduct, as set forth herein, directly infringed and continues to directly infringe one or more claims of the '984 Patent, including at least claim 1, by making, using, selling, offering for sale within the United States, and/or importing into the United States products, systems, and/or services, in violation of at least 35 U.S.C. §§ 271(a) and 281 *et seq*.

269. Additionally, Josh.ai has indirectly infringed and continue to indirectly infringe one or more of the claims of the '984 Patent, in violation of 35 U.S.C. § 271(b), by knowing and intentionally inducing infringement of the '984 Patent, literally and/or under the doctrine of equivalents. Josh.ai has and continues to actively induce its customers to sell and/or use the Josh Core in a manner directly infringing one or more claims of the '984 Patent, including at least claim 1.

270. On information and belief, (a) Josh.ai has had actual or constructive knowledge of the '984 Patent, or at least have actual knowledge as of filing of this Complaint, (b) Josh.ai intentionally causes, urges, or encourages users of the Josh Core to directly infringe one or more claims of the '984 Patent by, for example, promoting, advertising, and instructing customers and potential customers about the Josh Core and uses thereof, including infringing uses, (c) Josh.ai knows (or should know) that its actions will induce customers/users of the Josh Core to directly infringe one or more claims the '984 Patent, and (d) customers/users of Josh Core directly infringe one or more claims of the '984 Patent. In addition, Josh.ai has supplied and continue to supply the Josh Core to customers while knowing that use (and inducing such use) of the Josh

Core will infringe one or more claims of the '984 Patent, and that Josh.ai's customers then directly infringe one or more claims of the '984 Patent by selling and/or using the Josh Core.

271. Additionally, Josh.ai has indirectly infringed and continue to indirectly infringe one or more of the claims of the '984 Patent, in violation of 35 U.S.C. § 271(c), by offering to sell or selling within the United States, or importing into the United States, components in connection with the Josh Core that contribute to the direct infringement of the '984 Patent by users of the Josh Core.

272. On information and belief, (a) Josh.ai has actual or constructive knowledge of the '984 Patent, or at least have knowledge at the time of this suit, (b) Josh.ai offers for sale, sells, or imports the Josh Core products that comprise one or more material components of the invention of the '984 Patent and are not staple articles of commerce suitable for substantial non-infringing use, (c) Josh.ai knows (or should know) that such component(s) are especially made or especially adapted for use in an infringement of the '984 Patent, and (d) customers/users of the Josh Core comprising such material component(s) directly infringe one or more claims of the '984 Patent. For example, at a minimum, Josh.ai offers for sale, sells, and/or imports Josh Core that comprise software and/or hardware components adapted for use in one or more claims of the '984 Patent in the '984 Patent, and Josh.ai's customers then directly infringe one or more claims of the '984 Patent by selling and/or using the Josh Core that comprise these components.

273. Josh.ai imports, makes, uses, sells, and/or offers to sale the Josh Core, despite an objectively high likelihood that their actions constitute infringement.

274. Snap One has satisfied the statutory requirements to collect pre-suit damages for infringement of each of the Snap One Patents, including, without limitation, any applicable

provisions of 35 U.S.C. § 287, by, at least, providing notice via a website made available at https://www.control4.com/legal/patents/.

275. Josh.ai's acts of infringement have caused damage to Snap One, and Snap One is entitled to recover the damages sustained because of Josh.ai's wrongful acts including lost profits but in no event less than a reasonable royalty in an amount to be determined including any further relief, such as compensatory or equitable, as deemed proper and just by the Court.

276. Snap One is also entitled to injunctive relief because Josh.ai's infringement of the '984 Patent will continue to damage Snap One's business, causing irreparable harm, for which there is no adequate remedy at law.

277. Josh.ai knew at least as early as the filing of this Complaint that, through its encouragement, the Josh Core would result in infringement of one or more claims of the '984 Patent.

278. Despite having actual knowledge, Josh.ai has continued to carry out infringing activities. Josh.ai has had actual knowledge, or at least constructive knowledge, of the '984 Patent. Josh.ai has known, or have been willfully blind, to the existence of the '984 Patent and associated infringement thereof.

279. Josh.ai has had notice and have willfully infringed and continue to willfully infringe the '984 Patent, entitling Snap One to increased damages under 35 U.S.C. § 284 and to attorney fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

280. By reason of the foregoing, Snap One is entitled to relief against Josh.ai pursuant to at least 35 U.S.C. §§ 283–85.

TENTH CLAIM FOR RELIEF

(Breach of Contract (Distributor Agreement) – Against Josh.ai)

281. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though set forth fully herein.

282. The Distributor Agreement is a valid and enforceable contract between Snap One and Josh.ai.

283. Snap One performed its obligations under the Distributor Agreement by acting in accordance with the terms set forth therein.

284. The Distributor Agreement granted Snap One the exclusive right to sell certain Josh.ai products to Snap One Control4 Dealers in North America and obligated Josh.ai to refer all Control4 Dealers in North America to purchase Josh.ai products through Snap One.

285. Josh.ai materially breached the Distributor Agreement by, among other things:

- Failing to refer all Control4 Dealers that desired to purchase Josh.ai products to Snap One; and
- b. Continuing to sell its products to new and existing Control4 Dealers at prices that were lower than Snap One (as a reseller of the products) could offer.

286. As a direct and proximate result of Josh.ai's breaches of the Distributor Agreement, Snap One has suffered, and continues to suffer, damages in an amount to be determined at trial but not less than the jurisdictional amount.

ELEVENTH CLAIM FOR RELIEF

(Breach of Implied Covenant of Good Faith and Fair Dealing – Against Josh.ai)
287. Snap One incorporates by reference the allegations set forth in the preceding paragraphs as though set forth fully herein.

288. The Distributor Agreement is a valid and enforceable contract between Snap One and Josh.ai.

289. Snap One performed its obligations under the Distributor Agreement by acting in accordance with the terms set forth therein.

290. Snap One and Josh.ai are subject to the implied covenant of good faith and fair dealing that adheres to the Distributor Agreement.

291. As described above, Josh.ai has breached the implied covenant of good faith and fair dealing by working to undermine the Distributor Agreement and eliminate Snap One's right to receive the full benefits of the contract.

292. Josh.ai breached the implied covenant of good faith and fair dealing by, among other things:

- a. Despite agreeing with the projected profit margins in the Distributor
 Agreement and (on information and belief) understanding Snap One's reliance
 on those margins, Josh.ai sold its products to Control4 Dealers at prices well
 below the suggested reseller prices, upon which the margins were based;
- b. On information and belief, Josh.ai used these lower prices to persuade
 Control4 Dealers to purchase Josh.ai products directly from Josh.ai instead of
 through Snap One; and
- c. Josh.ai relaxed the requirements for Dealers to make direct purchases from Josh.ai and employed promotional pricing that widened the gap between the prices being offered by Snap One and those being offered by Josh.

293. As a direct and proximate result of Josh.ai's breaches of the Distributor

Agreement's implied covenant of good faith and fair dealing, Snap One has suffered, and continues to suffer, damages in an amount to be determined at trial.

JURY DEMAND

Snap One demands a jury trial on all issues triable by right of jury.

PRAYER FOR RELIEF

WHEREFORE, Snap One prays for judgment against Defendants as follows:

- A. On the First Claim for Relief:
 - 1. For general compensatory damages in an amount to be determined at trial.
- B. On the Second Claim for Relief:
 - For general compensatory, statutory, and exemplary damages in an amount to be determined at trial;
 - For an injunction prohibiting Defendants from further misappropriating Snap One's trade secrets; and
 - 3. For an award of attorney fees and costs.
- C. On the Third Claim for Relief:
 - 1. For general compensatory, statutory, and exemplary damages in an amount to be determined at trial;
 - For an injunction prohibiting Defendants from further misappropriating Snap One's trade secrets; and
 - 3. For an award of attorney fees and costs.
- D. On the Fourth Claim for Relief:

- For general compensatory and statutory damages in an amount to be determined at trial;
- For an injunction prohibiting Defendants from further infringing on Snap One's trade dress related to the Neeo Remote;
- For an injunction requiring Defendants to destroy all items infringing on Snap One's trade dress related to the Neeo Remote; and
- 4. For an award of attorney fees and costs
- E. On the Fifth Claim for Relief:
 - For general compensatory and statutory damages including lost profits but in no event less than a reasonable royalty in an amount to be determined at trial;
 - 2. For a declaration that Defendants have infringed the '623 Patent;
 - For a declaration that Defendants' infringement of the '623 Patent has been willful and deliberate;
 - For an injunction prohibiting Defendants from further infringing of the '623 Patent; and
 - 5. For an award of pre-judgment and post-judgment interest and without limitation under 35 U.S.C. § 287; and
 - 6. For an award of attorney fees and costs;

- F. On the Sixth Claim for Relief:
 - For general compensatory and statutory damages including lost profits but in no event less than a reasonable royalty in an amount to be determined at trial;
 - 2. For a declaration that AVA has infringed the '137 Patent;
 - For a declaration that AVA's infringement of the '137 Patent has been willful and deliberate;
 - 4. For an injunction prohibiting AVA from further infringing the '137 Patent;
 - 5. For an award of pre-judgment and post-judgment interest and without limitation under 35 U.S.C. § 287; and
 - 6. For an award of attorney fees and costs.
- G. On the Seventh Claim for Relief:
 - For general compensatory and statutory damages including lost profits but in no event less than a reasonable royalty in an amount to be determined at trial;
 - 2. For a declaration that Josh.ai infringed the '426 Patent;
 - For a declaration that Josh.ai's infringement of the '426 Patent has been willful and deliberate;
 - For an injunction prohibiting Josh.ai from further infringing the '426 Patent;
 - 5. For an award of pre-judgment and post-judgment interest and without limitation under 35 U.S.C. § 287; and

- 6. For an award of attorney fees and costs.
- H. On the Eighth Claim for Relief:
 - For general compensatory and statutory damages including lost profits but in no event less than a reasonable royalty in an amount to be determined at trial;
 - 2. For a declaration that Josh.ai infringed the '338 Patent;
 - For a declaration that Josh.ai's infringement of the '338 Patent has been willful and deliberate;
 - For an injunction prohibiting Josh.ai from further infringing the '338 Patent;
 - 5. For an award of pre-judgment and post-judgment interest and without limitation under 35 U.S.C. § 287; and
 - 6. For an award of attorney fees and costs.
- I. On the Ninth Claim for Relief:
 - For general compensatory and statutory damages including lost profits but in no event less than a reasonable royalty in an amount to be determined at trial;
 - 2. For a declaration that Josh.ai have infringed the '984 Patent;
 - For a declaration that Josh'ai's infringement of the '984 Patent has been willful and deliberate;
 - For an injunction prohibiting Josh.ai from further infringing the '984 Patent; and

- 5. For an award of pre-judgment and post-judgment interest and without limitation under 35 U.S.C. § 287;
- 6. For an award of attorney fees and costs.
- J. On the Tenth Claim for Relief:
 - 1. For general compensatory damages in an amount to be determined at trial.
- K. On the Eleventh Claim for Relief:
 - 1. For general compensatory damages in an amount to be determined at trial.
- L. On All Causes of Action:
 - For an award of attorneys' fees and costs pursuant to SDK Agreement or as allowed by applicable law;
 - 2. For pre- and post-judgment interest as allowed by applicable law;
 - 3. For such other and further relief as this Court may deem appropriate under the circumstances.

DATED: August 14, 2023

FOLEY & LARDNER LLP

/s/ David L. Mortensen

David L. Mortensen Tanner B. Camp

Attorneys for Snap One LLC