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12
13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA

15 CELLINK CORP.,
16 Plaintiff,
17 v.
18 MANAFLEX LLC
19 Defendant.

Case No. 3:23-cv-4231

**COMPLAINT FOR PATENT
INFRINGEMENT AND TRADE
SECRET MISAPPROPRIATION**

Demand For Jury Trial

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COMPLAINT

1
2 Plaintiff CelLink Corporation (“CelLink” or “Plaintiff”) brings this complaint to address
3 the defendants’ concerted and international campaign of industrial espionage and intellectual
4 property infringement. As alleged below, Robert Lane—the founder of Defendant Manaflex LLC
5 (“Manaflex” or “Defendant”)—in some instances with Augusto Barton, used and abused their
6 position of trust as then-employees of one of CelLink’s key customers to steal CelLink’s trade
7 secrets, copy CelLink’s technology, set up competing manufacturing facilities overseas, and file
8 patent applications attempting to pass off CelLink’s technology as their own. To address
9 Manaflex’s misconduct, Plaintiff asserts claims for patent infringement and trade secret
10 misappropriation as follows. While Plaintiff is only asserting a claim for infringement of a single
11 CelLink patent at this time, CelLink’s investigation into the full scope of Manaflex’s
12 infringement is ongoing. CelLink anticipates adding additional claims of patent infringement to
13 this Complaint in the future. CelLink also intends to seek relief from the International Trade
14 Commission in order to exclude Manaflex parts from importation into the United States:

INTRODUCTION

15
16 1. CelLink was founded in 2012 to develop large, high-conductance flexible circuits
17 for the solar, LED, and battery industries.

18 2. CelLink has devoted more than a decade to developing proprietary technologies to
19 facilitate the design and fabrication of flexible circuits. In the process, CelLink has pioneered
20 manufacturing and processing techniques that solve a persistent problem facing electric vehicle
21 battery makers: the trade-off between the manufacturing advantage of large-format battery cells,
22 (which require fewer interconnections and assembly steps), and the performance, reliability, and
23 safety advantages of small-format battery cells, which are generally more complicated to integrate
24 into battery modules and battery packs.

25 3. CelLink’s innovations have been widely recognized as groundbreaking within the
26 automotive and clean energy industries, and—before Manaflex stole CelLink’s technology—
27 CelLink was the *only* company capable of making very large, high-conductance flexible circuits
28 on an industrial scale and at a commercially viable price point.

1 4. Today, CelLink manufactures high-conductance, large-area flex harnesses and
2 automotive electronic systems 100% in the USA in facilities located in San Carlos, California and
3 Georgetown, Texas.

4 **PRINCIPALS OF MANAFLEX PURSUE AND ULTIMATELY GAIN ACCESS TO**
5 **CELLINK’S PROPRIETRY TECHNOLOGY**

6 5. In 2014, CelLink approached Tesla to discuss its unique product capabilities and
7 the way that those capabilities could give Tesla a competitive edge.

8 6. In June 2014, CelLink and Tesla held an initial meeting, in which then-Tesla
9 employee Robert Lane participated. Prior to and during that meeting, Mr. Lane attempted to
10 obtain technical information about CelLink’s proprietary manufacturing processes. Because
11 CelLink maintains strict confidentiality around its trade-secret processes, CelLink explained that
12 it could not reveal certain technical information unless Tesla signed a nondisclosure agreement.
13 Tesla refused and, as a result, CelLink did not divulge the details of its proprietary fabrication
14 methods.

15 7. Discussions between CelLink and Tesla continued over the ensuing years. In
16 October 2015, Tesla contacted CelLink to discuss its interest in using CelLink’s flex circuits in
17 battery arrays that Tesla was designing for its next-generation battery modules. At this time,
18 Augusto Barton, a then-employee of Tesla, was introduced to the CelLink team. Over the course
19 of the next several months, Tesla (through Mr. Barton and later Mr. Lane) discussed this design
20 opportunity with CelLink. However, Tesla again refused to sign a mutual NDA that would
21 protect CelLink’s proprietary technical information. As a result, CelLink again did not discuss its
22 fabrication methods with Tesla.

23 8. In April 2016, CelLink informed Tesla that CelLink would no longer be able to
24 work with Tesla without an executed mutual NDA. This time Tesla agreed, and Tesla and
25 CelLink entered into a mutual non-disclosure agreement on April 16, 2016 (“April 2016
26 MNDA”). The April 2016 MNDA placed confidentiality obligations not only on Tesla but
27 Tesla’s employees, including Messrs. Barton and Lane. Over the course of the next several
28 months, as CelLink and Tesla explored the new design opportunity, CelLink shared a

1 considerable amount of confidential and trade secret information with Tesla under the protection
2 provided by the April 2016 MNDA.

3 9. In August 2016, CelLink sent an e-mail to Tesla confirming that CelLink
4 considered certain enumerated information that it had disclosed to Tesla pursuant to the April
5 2016 MNDA, including key manufacturing and process techniques, to be CelLink's trade secrets.
6 Tesla did not dispute CelLink's assertion that the information enumerated in the email constituted
7 CelLink's trade secrets. Tesla chose not to infringe on or misappropriate CelLink's intellectual
8 property in the development of its products.

9 **PRINCIPALS OF MANAFLEX LEAVE TESLA AND BEGIN TO USE CELLINK'S**
10 **TRADE SECRETS AND INFRINGE CELLINK'S PATENT**

11 10. Mr. Lane founded Manaflex in August 2018. Manaflex produces flexible printed
12 circuits in facilities in Taicang, China. Mr. Lane serves as the CEO of Manaflex.

13 11. According to Manaflex's website, Manaflex purports to have a research and
14 development facility in Hawaii. However, upon information and belief, the only addresses for
15 Manaflex in Hawaii are a PO Box and a residential address affiliated with Robert Lane. The bulk
16 of Manaflex's employees appear to be located in China and Taiwan.

17 12. Mr. Lane and Manaflex filed U.S. Patent Application 16/909,735 in June 2020. In
18 that application, Mr. Lane and Manaflex disclosed some of the trade secrets that CelLink shared
19 with Mr. Lane under the April 2016 MNDA and while Mr. Lane was employed at Tesla.

20 13. In December 2022 Mr. Barton joined Manaflex as its Director of Engineering.
21 Prior to joining Manaflex, while he was a Tesla employee and subject to the confidentiality
22 requirements of the April 2016 MNDA, Mr. Barton toured CelLink's factory floor. During that
23 tour, Mr. Barton observed and accessed several CelLink manufacturing techniques that CelLink
24 protects as trade secrets.

25 14. Then, in the Spring of 2023, CelLink learned that one of its new US-based electric
26 vehicle customers was considering transferring a CelLink flex circuit design to Manaflex in
27 pursuit of lower-cost manufacturing in China. CelLink believes that the customer began
28 receiving these parts from Manaflex in July 2023.

1 benefits of the laws of the State of California, (2) transacted, conducted, and/or solicited business
2 and engaged in a persistent course of conduct in the State of California (and in this District),
3 (3) derived substantial revenue from the sales and/or use of products, such as the infringing
4 products in the State of California (and in this District), (4) purposefully directed activities
5 (directly and/or through intermediaries), such as shipping, distributing, offering for sale, selling,
6 and/or advertising its infringing products, at residents of the State of California (and residents in
7 this District), (5) delivered its infringing products into the stream of commerce with the
8 expectation that the products will be used and/or purchased by consumers, and (6) committed acts
9 of patent infringement and trade secrets misappropriation in the State of California (and in this
10 District).

11 22. Venue is proper in this District under the provisions of 28 U.S.C. § 1400(b)
12 because, *inter alia*, Manaflex has committed acts of infringement in this District and has one or
13 more regular and established places of business in this district. Venue is also proper under 28
14 U.S.C. § 1391(b)(2) because a substantial part of the events giving rise to the claims and a
15 substantial part of the property that is the subject of the trade secret claims are situated in this
16 District.

17 **THE PATENT-IN-SUIT**

18 **U.S. Patent No. 11,116,070**

19 23. U.S. Patent No. 11,116,070 (the “’070 Patent”), entitled “Interconnect Circuit
20 Methods and Devices,” is a valid, enforceable patent that was duly and legally issued by the
21 United States Patent and Trademark Office (“USPTO”) on September 7, 2021, in full compliance
22 with Title 35 of the United States Code. A true and correct copy of the ’070 Patent, is attached
23 hereto as Exhibit A.

24 24. CelLink owns the entire right, title, and interest in the ’070 Patent, including the
25 right to exclude others and to enforce, sue, and recover damages for past and future infringement.

26 25. The claims of the ’070 Patent cover methods of forming interconnect circuits used
27 in many applications, including battery packs and solar arrays, vehicles, light fixtures, and many
28 other types of electrical and electronic circuits. ’070 Patent at 1:15-44. The ’070 Patent

1 addresses technological problems and limitations in interconnect circuits by providing “new
2 methods of forming interconnect circuits that provide new designs and functionalities of these
3 circuits, including complex patterns and shapes of conductive layers, new materials and features
4 in insulating layers, thermal properties, low weight for a given electrical current, and the like.”

5 *Id.* at 1:45-50. For example, claim 1 of the ’070 Patent recites:

- 6
- 7 1. A method of forming an interconnect circuit, the method comprising:
8 laminating a substrate to a conductive layer,
9 wherein the conductive layer is a metal foil, comprising a first side and
10 a second side, opposite of the first side, and having a constant
11 thickness, and
12 wherein the substrate comprises an adhesive layer, laminated to the
13 second side of the conductive layer;
14 patterning the conductive layer, while the conductive layer remains
15 laminated to the substrate,
16 wherein patterning the conductive layer forms a first conductive
17 portion and a second conductive portion of the conductive layer, at
18 least partially separated from the first conductive portion,
19 wherein the substrate maintains orientation of the first conductive
20 portion relative to the second conductive portion after patterning the
21 conductive layer;
22 after patterning the conductive layer, laminating a first insulator to the
23 first side of the conductive layer; and
24 after laminating the first insulator to the first side of the conductive
25 layer, removing the substrate from the conductive layer,
26 wherein the first insulator maintains the orientation of the first
27 conductive portion relative to the second conductive portion after the
28 substrate is removed.

Id. at claim 1.

CLAIM I: INFRINGEMENT OF U.S. PATENT NO. 11,116,070

26. Cellink incorporates by reference and realleges the preceding paragraphs.

27. Manaflex has directly infringed and continues to infringe at least claim 1 of
the ’070 Patent, literally or under the doctrine of equivalents, in violation of 35 U.S.C. § 271(g),
at least because Manaflex imports into the United States and offers to sell, sells, or uses within the
United States products made by methods that infringe one or more claims of the ’070 Patent,
including without limitation the Manaflex flexible circuits (hereinafter, the “Manaflex Products”).

1 28. After a reasonable opportunity for further investigation or discovery, including the
2 inspection of non-publicly available internal documentation, CelLink believes it will have
3 evidentiary support for its contention that the Manaflex Products are not materially changed by
4 subsequent processes and do not become a trivial and non-essential component of another product
5 prior to importation into the United States and/or offer for sale, sale, and/or use within the United
6 States.

7 29. Exhibit B to this Complaint describes a non-limiting example of Manaflex's
8 infringement. Specifically, CelLink understands that at least Figure 5 of U.S. Patent No.
9 11,516,921 to Robert C. Lane ("Lane") is representative of the method utilized to manufacture at
10 least the Manaflex Products. As described in Exhibit B, the manufacturing of at least the
11 Manaflex Products satisfies each limitation of claim 1 of the '070 Patent, literally or under the
12 doctrine of equivalents.

13 30. To the extent the preamble of claim 1 is considered a limitation, the Manaflex
14 Products were manufactured using a method of forming an interconnect circuit. Additional
15 information is set forth in Exhibit B to this Complaint at limitation 1(a).

16 31. The Manaflex Products were manufactured using a method comprising laminating
17 a substrate to a conductive layer, wherein the conductive layer is a metal foil, comprising a first
18 side and a second side, opposite of the first side. After a reasonable opportunity for further
19 investigation or discovery, including the inspection of non-publicly available internal
20 documentation and an inspection of Manaflex's manufacturing process, CelLink believes it will
21 have evidentiary support for its contention that the Manaflex Products were manufactured using a
22 method wherein the conductive layer has a constant thickness, and wherein the substrate
23 comprises an adhesive layer, laminated to the second side of the conductive layer. Additional
24 information is set forth in Exhibit B to this Complaint at limitations 1(b), 1(c), and 1(d).

25 32. The Manaflex Products were manufactured using a method comprising patterning
26 the conductive layer, while the conductive layer remains laminated to the substrate, wherein
27 patterning the conductive layer forms a first conductive portion and a second conductive portion
28 of the conductive layer, at least partially separated from the first conductive portion, wherein the

1 substrate maintains orientation of the first conductive portion relative to the second conductive
2 portion after patterning the conductive layer. Additional information is set forth in Exhibit B to
3 this Complaint at limitations 1(e), 1(f), and 1(g).

4 33. After a reasonable opportunity for further investigation or discovery, including the
5 inspection of non-publicly available internal documentation and an inspection of Manaflex's
6 manufacturing process, CelLink believes it will have evidentiary support for its contention that
7 the Manaflex Products were manufactured using a method comprising after patterning the
8 conductive layer, laminating a first insulator to the first side of the conductive layer. Additional
9 information is set forth in Exhibit B to this Complaint at limitation 1(h).

10 34. After a reasonable opportunity for further investigation or discovery, including the
11 inspection of non-publicly available internal documentation and an inspection of Manaflex's
12 manufacturing process, CelLink believes it will have evidentiary support for its contention that
13 the Manaflex Products were using a method comprising after laminating the first insulator to the
14 first side of the conductive layer, removing the substrate from the conductive layer, wherein the
15 first insulator maintains the orientation of the first conductive portion relative to the second
16 conductive portion after the substrate is removed. Additional information is set forth in Exhibit B
17 to this Complaint at limitations 1(i) and 1(j).

18 35. Manaflex's infringement has caused and continues to cause damage and
19 irreparable harm to CelLink, including loss of market share. Unless and until that infringement is
20 enjoined by this Court, CelLink will continue to suffer damage and irreparable harm as a remedy
21 at law alone would be inadequate.

22 36. Manaflex's infringement of the '070 Patent is exceptional and entitles CelLink to
23 attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

24 37. CelLink is entitled to injunctive relief and damages in accordance with 35 U.S.C.
25 §§ 271, 281, 283, and 284.

26 **CLAIM II: MISAPPROPRIATION OF TRADE SECRETS**

27 **UNDER THE DEFEND TRADE SECRETS ACT**

28 38. CelLink incorporates by reference and realleges the preceding paragraphs.

1 39. After CelLink and Tesla entered into the April 2016 MNDA, CelLink disclosed to
2 Tesla a number of its most valuable trade secrets. Those trade secrets include information about
3 CelLink's innovative fabrication and manufacturing techniques, which were critical to achieving
4 CelLink's best-in-class battery optimization and efficiency. CelLink's trade secrets allowed for
5 battery architecture with a significantly simpler interconnection and integration of small-format
6 cells into large battery packs. CelLink's trade secret design allows EV or OEM battery
7 manufacturers to reduce the steps and parts required to manufacture batteries, thereby saving
8 costs while maintaining the performance, safety, and reliability advantages of battery packs using
9 small-format battery cells. CelLink's trade secrets improve the interconnect reliability by
10 enabling the use of fewer discrete connections within the battery pack.

11 40. CelLink took reasonable steps to maintain the confidentiality of these trade secrets,
12 including not disclosing them outside of a non-disclosure agreement and requiring its employees
13 to maintain the confidentiality of the trade secrets. CelLink also sent an email to the key contacts
14 at Tesla reiterating that CelLink considers certain manufacturing processes to be trade secrets and
15 reminding Tesla to maintain their confidentiality.

16 41. Messrs. Lane and Barton received CelLink's trade secrets while they were Tesla
17 employees and bound by the April 2016 MNDA to maintain the confidentiality of CelLink's trade
18 secrets. The April 2016 MNDA prohibited Messrs. Lane and Barton to use CelLink's trade
19 secrets for any purpose outside of CelLink and Tesla's collaboration. The April 2016 MNDA
20 also prohibited Messrs. Lane and Barton from taking or disclosing CelLink's trade secrets outside
21 of those within Tesla with a need to know.

22 42. Despite their legal and contractual obligations, Messrs. Lane and Barton have
23 knowingly and willfully taken CelLink's manufacturing and processing trade secrets and are
24 using them at Manaflex. For example, in U.S. Patent Application 16/909,735, Mr. Lane and
25 Manaflex contained illustrations and descriptions that show that Manaflex is implementing some
26 of the CelLink trade secrets that were disclosed to Mr. Lane under the April 2016 MNDA while
27 he was employed at Tesla. Indeed, several of the trade secrets shown in Manaflex's drawings in
28 its patent application and described therein were the manufacturing and processing techniques

1 called out in CelLink's August 2016 email to Tesla reminding Tesla of CelLink's trade secret
2 obligations. CelLink has been damaged by Manaflex's use of CelLink's trade secrets.

3 43. Moreover, the patent application disclosed several of CelLink's trade secrets,
4 thereby destroying the value of CelLink's secrets. Manaflex's publication of CelLink's trade
5 secrets, which were the fruit of significant research and development time and expense, was
6 malicious and willful. CelLink has been damaged by Manaflex's publication of CelLink's trade
7 secrets because CelLink can no longer reap the value derived from the confidentiality of its trade
8 secrets.

9 **PRAYER FOR RELIEF**

10 WHEREFORE, CelLink respectfully requests:

- 11 A. That Judgment be entered that Manaflex has infringed at least one or more claims
12 of the patent-in-suit, literally and/or under the doctrine of equivalents;
- 13 B. An injunction enjoining Manaflex, its officers, agents, servants, employees and
14 attorneys, and other persons in active concert or participation with Manaflex, and its
15 parents, subsidiaries, divisions, successors and assigns, from further infringement of
16 the patent-in-suit, including importation of the Manaflex Products into the United
17 States;
- 18 C. An award of damages sufficient to compensate CelLink for Manaflex's
19 infringement under 35 U.S.C. § 284;
- 20 D. That the case be found exceptional under 35 U.S.C. § 285 and that CelLink be
21 awarded its reasonable attorneys' fees;
- 22 E. An injunction prohibiting Defendants from using any and all trade secrets and
23 confidential information of Plaintiff.
- 24 F. An award of damages sufficient to compensate CelLink for Manaflex's trade secret
25 misappropriation under 18 U.S.C. § 1836(b)(3)(B);
- 26 G. That Manaflex be found to have willfully and maliciously misappropriated
27 CelLink's trade secrets, under 18 U.S.C. § 1836(b)(3)(C), and that CelLink's award
28 of trade secret damages be doubled;

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- H. That Manaflex’s misappropriation of trade secrets be found to be willful and malicious under 18 U.S.C. § 1836(b)(3)(D) and that CelLink be awarded its reasonable attorneys’ fees;
- I. Costs and expenses in this action;
- J. An award of prejudgment and post-judgment interest; and
- K. Such other and further relief as the Court may deem just and proper.

DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, CelLink respectfully demands a trial by jury on all issues triable by jury.

Dated: August 18, 2023

By: /s/ Clement S. Roberts

Clement Seth Roberts
Ben Au
Alyssa Caridis

ORRICK, HERRINGTON & SUTCLIFFE LLP
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