

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION**

<p>PINN, INC.,</p> <p style="text-align: center;">Plaintiff</p> <p style="text-align: center;">v.</p> <p>XIAOMI CORPORATION, XIAOMI H.K., LTD, XIAOMI COMMUNICATIONS CO., LTD, AND XIAOMI INC.</p> <p style="text-align: center;">Defendants</p>	<p style="text-align: center;">Case No. 6:24-cv-00013</p> <p style="text-align: center;">JURY TRIAL DEMANDED</p>
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COMPLAINT FOR PATENT INFRINGEMENT

Pinn, Inc. files this Complaint against Xiaomi Corporation, Xiaomi H.K., Ltd, Xiaomi Communications Co., Ltd, and Xiaomi Inc. (collectively “Xiaomi” or “Defendants”). Xiaomi markets, imports, sells, and distributes wireless earbud systems that practice one or more claims of U.S. Patent No. 10,455,066 (the “066 Patent”), which is owned by Pinn, Inc.

THE PARTIES

1. Pinn, Inc. is a California Corporation with its headquarters and principal place of business at 2522 Chambers Rd., Suite 100, Tustin, California 92782.

2. Xiaomi was founded in China in 2010 and does business in the State of Texas and in the Western District of Texas.

3. On information and belief, Defendant Xiaomi Corporation is a corporation organized and existing under the laws of the Cayman Islands, with a place of business at Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. On information and belief, Xiaomi Corporation makes and sells consumer electronics products, including wireless earbuds, in the world and the United States. On information and belief, Xiaomi Corporation does business in Texas and in the Eastern District of Texas, directly or through its subsidiaries.

4. On information and belief, Defendant Xiaomi Communications Co., Ltd. is a corporation organized and existing under the laws of the People's Republic of China, with its principal place of business at Xiaomi Office Building, 68 Qinghe Middle Street, Haidian District, Beijing, China 100085. On information and belief, Xiaomi Communications makes and sells consumer electronics products, including wireless earbuds, in the world and the United States. On information and belief, Xiaomi Communications does business in Texas and in the Eastern District of Texas, directly or through its subsidiaries.

5. On information and belief, Xiaomi H.K. Ltd. is a corporation organized and existing under the laws of Hong Kong, with its principal place of business at Unit 806, Tower 2 8/F, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road, Kowloon City,

Hong Kong. Xiaomi H.K. makes and sells consumer electronics products, including wireless earbuds, in the world and the United States. On information and belief, Xiaomi H.K. does business in Texas and in the Eastern District of Texas, directly or through its subsidiaries.

6. On information and belief, Xiaomi Inc. is a corporation organized under the laws of the People's Republic of China, with its principal place of business at Xiaomi Office Building, 68 Qinghe Middle Street, Haidian District, Beijing, China 100085. Xiaomi Inc. makes and sells consumer electronics products, including wireless earbuds, in the world and the United States. On information and belief, Xiaomi Inc. does business in Texas and in the Eastern District of Texas, directly or through its subsidiaries.

7. Xiaomi offers for sale and sells the accused products to customers and potential customers in Texas, including in this judicial district.

JURISDICTION AND VENUE

8. This patent infringement suit is brought under the United States Patent Act, namely, 35 U.S.C. §§ 271, 281, and 284-285, among other laws. This Court has subject-matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a).

9. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1400(b), because Xiaomi markets, sells, makes, tests, uses, and delivers accused products in this district, directs and instructs customers and end users on how to use the accused

products in this district, and has committed acts of infringement in this district.

10. Xiaomi offers for sale and sells products within the State of Texas and within the Western District of Texas that directly or indirectly infringe the Asserted Patent. Xiaomi purposefully and voluntarily places its infringing products into the stream of commerce with both the expectation and the knowledge that those products will be purchased and used by consumers in the Western District of Texas.

11. For example, while Xiaomi is a China-based entity, it operates a United States-focused website (<https://www.mi.com/us/>) which includes website pages advertising the Accused Products.

12. Venue is proper as to Xiaomi in this District under 28 U.S.C. § 1391(c), because Xiaomi is a foreign corporation.

THE PINN PATENT

13. Seung Jin Kim invented the subject matter claimed in the asserted '066 patent, which is owned by his company, Pinn, Inc., in California.

14. The '066 patent discloses and claims, among other things, a personal wireless media station including a mobile base station and a wireless earbud. The personal wireless media station may detect that the wireless earbud is docked to the base station, detect that the wireless earbud is undocked from the base station, and plays sound through the wireless earbud while the wireless earbud is undocked from the base station.

15. Generally speaking, the Asserted Patent claims methods, apparatuses, and systems relating to a personal wireless media station having a wireless earbud and main body, wherein the wireless media station may detect when the wireless earbud is connected to the base station, detect when the wireless earbud is undocked from the base station, and cause sound to begin playing through the wireless earbud when the earbud is undocked from the base station.

16. Pinn is the assignee of all right, title, and interest in and to the Asserted Patent and has the exclusive right to assert all causes of action arising under, or that may arise under, the Asserted Patent, including the right to pursue and recover any and all monetary and equitable remedies for infringement.

17. Xiaomi has been on notice of the '066 Patent since at least as early as the date it received service of this complaint.

18. Xiaomi has infringed and continues to infringe one or more claims of Pinn's '066 Patent.

THE '066 PATENT: "MOBILE SYSTEM WITH WIRELESS EARBUD"

19. On October 22, 2016, the United States Patent and Trademark Office ("USPTO") issued U.S. Patent No. 10,455,066, following a full examination of U.S. Pat. App. Ser. No. 15/563,937, which was filed on April 4, 2016.

20. Claim 1 of the '066 Patent recites:

1. An apparatus comprising:

a base station comprising a connection hole, a user input button, at least one processor, at least one memory, and circuitry; and

a wireless earbud configured for plugging into the connection hole of the base station to form an integrated body with the base station,

wherein the system is capable of wirelessly pairing with a smartphone for the wireless earbud to receive audio data originated from the smartphone,

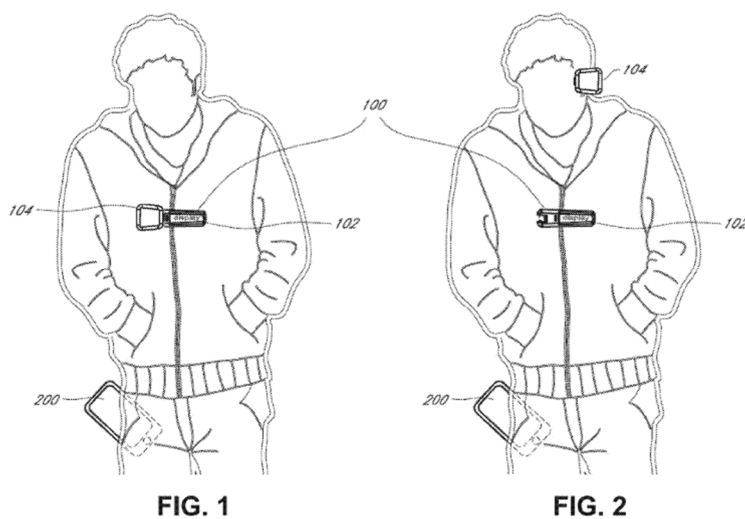
wherein, in response to pressing of the user input button, the at least one processor is configured to execute computer program instructions stored in the at least one memory to initiate processing for the wireless pairing with the smartphone such that the wireless earbud receives audio data originated from the smartphone and plays audio using the audio data from the smartphone,

wherein, in response to plugging the wireless earbud into the connection hole, the at least one processor is configured to execute computer program instructions stored in the at least one memory to initiate charging of a battery of the wireless earbud,

wherein, when the wireless earbud is plugged into the connection

hole of the base station, the wireless earbud is configured to electrically connect with the circuitry of the base station and further configured to performing wired data communication with the base station.

21. Figures 1 and 2 illustrate certain exemplary uses of an embodiment of the '066 patent.



22. The technologies and innovations recited in the claims of the '066 Patent, including Claim 1, provide inventive concepts and do not claim an abstract idea. The individual elements of the claims of the '066 Patent are not well-understood, routine, or conventional. Instead, the claims of the '066 Patent are directed to unconventional, inventive concepts that implement technical solutions to solve various problems, including problems unique to wireless earbud pairing, and that enhance the operation and functionality of wireless earbuds and increase convenience for users. As one

example, the '066 Patent provides a technical solution that comprises the transferring of sound output from a main body speaker to an earbud when undocking has been detected. *See, e.g.*, '066 Patent at 2:33-44.

23. The technological solutions taught by the '066 Patent provide advantages over, and improvements to, the state of the art at the time. For example, the teachings of the '066 Patent describe a wireless base station and earbud that work seamlessly together to provide the consumer with functional wireless earbud capabilities.

24. The inventions and the limitations recited in the claims of the '066 Patent, whether alone or in combination with other limitations, embody several inventive concepts. For example, claim 1 of the '066 Patent describes a consumer product or system featuring distributed intelligence and that features an earbud that communicates wirelessly with a smartphone and communicates via wired two-way communication with the main body. The main body is configured to determine a docked-to-undocked change in which, when the earbud is undocked, the sound begins playing in the earbud. *See, e.g.*, '066 Patent at 1:46-57.

PINN, INC.

25. Pinn was founded by Seung Jin (“Sean”) Kim in 2015, with a vision toward designing and developing wearable technology that enhances the smartphone experience and eliminates frustrating phone problems like trying to locate and retrieve one’s phone quickly to answer an incoming call.

26. Sean Kim received a bachelor's degree in Music Composition and Orchestral Conduction from Seoul National University in 2003. In addition to being an accomplished composer, Mr. Kim is an entrepreneur and inventor.

27. Recognizing the need for a personal media system with simplified operation and structure, Mr. Kim conceived of the Pinn device in 2014 and founded Pinn Inc. the following year to develop a first-generation wearable product that would provide consumers with an easier way to use their smartphones, by simplifying and enhancing the wireless capabilities and operation of the device. Mr. Kim recognized that a system having distributed intelligence and processing, along with an integrated modular design, would improve ease of use and functionality.

28. The Patent Office recognized Mr. Kim's innovations by granting the first of his wireless earbud system patents in 2017.

29. Pinn proved Mr. Kim's concept in October 2015 and launched the Pinn product soon after. Pinn became available to the public in 2017.



30. Pinn includes a wireless earbud that is docked and integrated into the Pinn main body and wirelessly connects to a user's smartphone via Bluetooth.



THE XIAOMI INFRINGING PRODUCTS

31. Recognizing the practical importance of Kim's groundbreaking invention,

Xiaomi introduced its own wireless earbuds. These wireless earbuds are comprised of a base station, earbuds, a connection hole, a user input button, and electrical circuitry designed to connect the earbuds to the base station, all of which form an integrated body capable of wirelessly pairing with a smartphone such that the wireless earbud can receive audio data originating from the smartphone.

32. Xiaomi makes, has made, sells, and offers for sale in the United States and imports into the United States various versions of a wireless earbud system that practice the Pinn Patent in Suit: Redmi Buds 3, Redmi Buds 4, Redmi Buds 4 Pro, Redmi Buds 3 Pro, Redmi Buds 3 Lite, Redmi Buds 4 Lite (The “Accused Products”).

33. The Accused Products have a base station case that houses the Xiaomi wireless earbuds.

Xiaomi Redmi Buds 3 Base Station



34. Each wireless earbud plugs into a connection hole to form an integrated body. The integrated body is formed when the wireless earbuds are placed into their respective connection holes where they are magnetically secured.

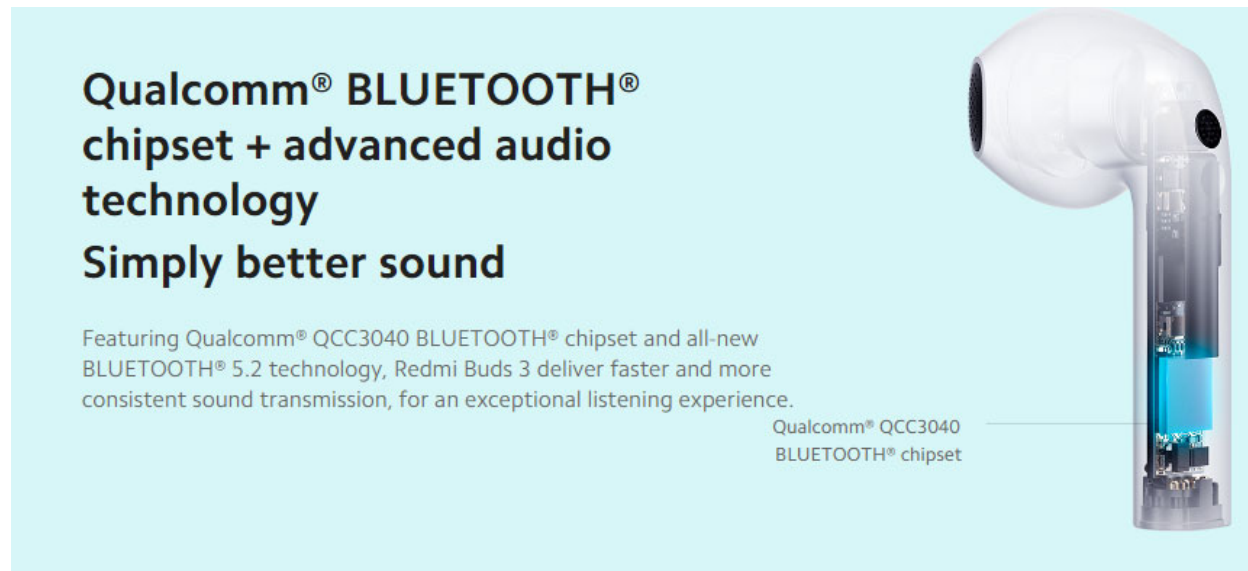
Xiaomi Redmi Buds 3 Base Station Connection Hole





35. In normal operation, the wireless earbuds of the Accused Products

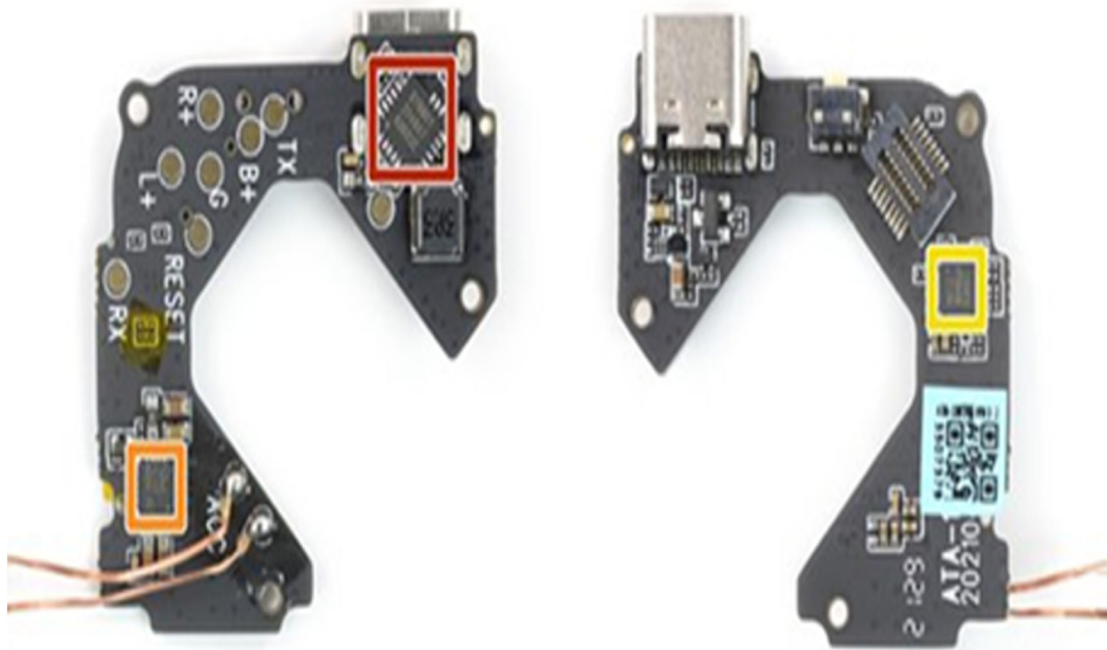
communicate with a smartphone via Bluetooth, receive audio data from the smartphone, and play audio using the audio data from the smartphone when paired wirelessly.



36. The Accused Products feature an earbud connector for connecting with an electrical circuit of the main body for wired data communication.

37. The main body of the Accused Products comprise at least one processor and at least one memory.

Xiaomi Redmi Buds 3 Base Station
Circuitry and Memory



38. The Accused Products feature a User Input Button on the case, which is visible in the photographs above, that communicates with the buds and the base station. In response to the pressing of the User Input Button, “at least one processor is configured to execute computer program instructions stored in the at least one memory to initiate processing for the wireless pairing with the smartphone such that the wireless earbud receives audio data that originated from the smartphone and plays the audio using the audio data from the smartphone.” *See e.g.*, ’066 Patent at 33:28-34.

39. The User Input Button is used to initiate Bluetooth pairing and factory resets, indicating wired data communication occurring between the earbuds and the base station. Xiaomi explains pairing initiation and reset functionality in the manual:

Connection

First time connection

Both earbuds will enter the awaiting connection mode when the charging case's lid is opened. After enabling the phone's Bluetooth, search for and tap 'Redmi Buds 3' to connect the earbuds to the phone.

Note: If the earbuds cannot be connected, place them back into the charging case, close the lid and repeat the above operation.

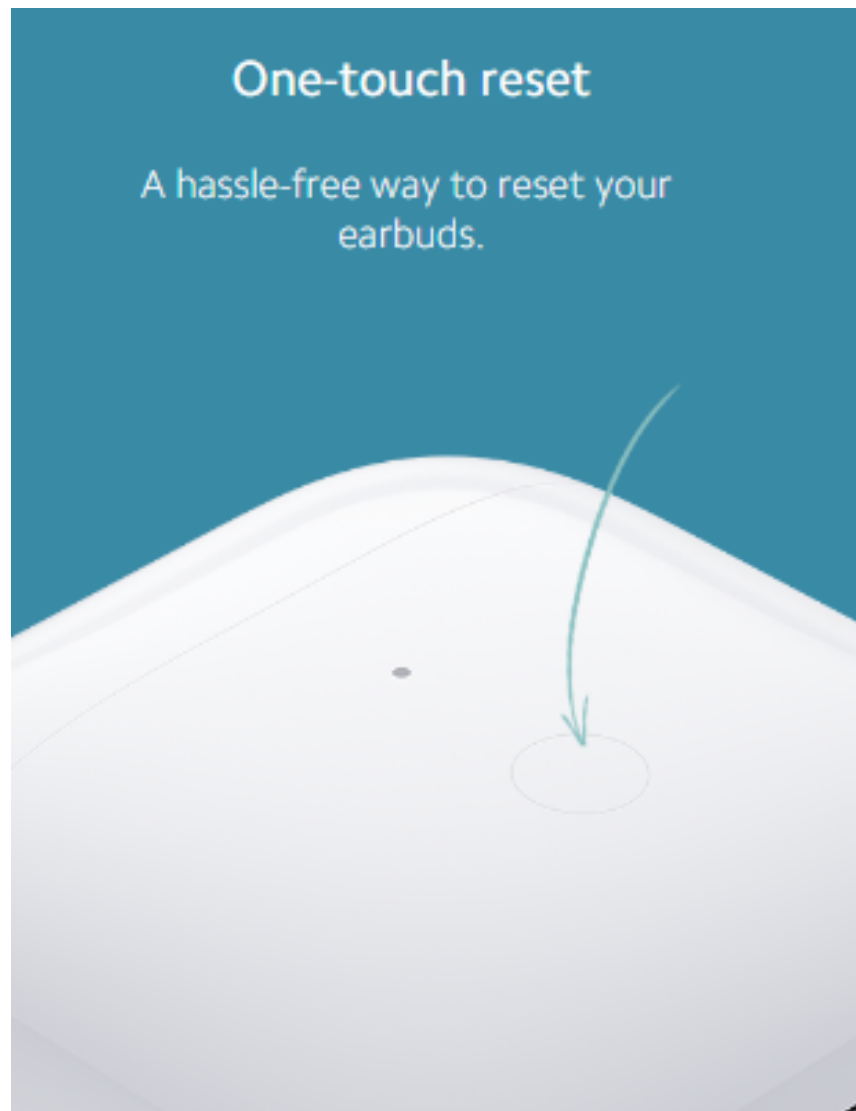
Reset Earbuds

If the earbuds cannot connect properly, please follow the below steps to reset them.

Open the lid of the charging case and place both earbuds in the case. Press and hold the charging case button for 10 seconds, and the charging case's indicator will blink white for 3 seconds and turn off, indicating the earbuds have been reset successfully (the connection records between the left and right earbuds, and the earbuds and the phone have been cleared).



Press and hold for 10 seconds



40. The Accused Products earbuds communicate with a smartphone via Bluetooth.

41. Audio from a smartphone is played through the earbuds.

42. The Accused Products earbuds are configured to recognize when the earbuds are placed in the connection hole, where “at least one processor is configured to execute computer program instructions stored in the at least one memory to initiate

charging of a battery of the wireless earbud.” *See e.g.*, ’066 Patent 33:35-39.

Xiaomi Redmi Buds 3 Wireless Earbud Charging

Extra-long 20-hour battery life*
Enough time to listen to 300 more songs

Though small and lightweight, the Redmi Buds 3 offers both power and comfort. Enjoy up to 5 hours of battery life on a single charge, or up to 20 hours' use when paired with the charging case. Relax and get back to your music. Enjoy up to 1.5 hours' playback from a single 10-minute charge.



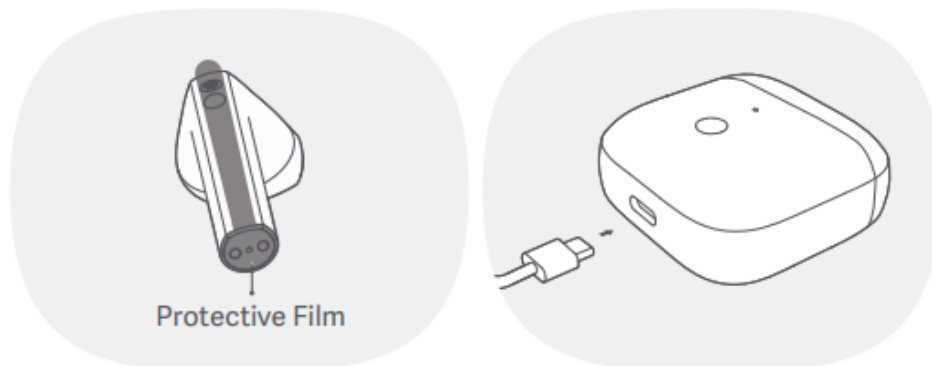
5 hours	20 hours
Single charge	Total battery life with case

43. Once such connection occurs, charging of the battery in the wireless earbud begins via charging contacts and electrical circuitry located in the base station.

Xiaomi Redmi Buds 3 Charging Contacts

Charging

- Before use, please remove the protective film from the contact points on both earbuds and fully charge the charging case and the buds.



- Connect the charging cable to the charging case and keep the earbuds inside the case to charge simultaneously.
- When the charging case is not fully charged, its indicator is white. When it is fully charged, its indicator is off.

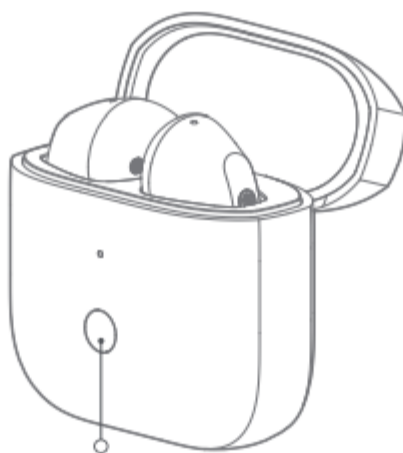
44. The earbuds of the Accused Products are configured to perform wired two-way data communication with the charging case, as seen through factory resets and Bluetooth pairing.

Xiaomi Redmi Buds 3 Wireless Earbud Reset

Reset Earbuds

If the earbuds cannot connect properly, please follow the below steps to reset them.

Open the lid of the charging case and place both earbuds in the case. Press and hold the charging case button for 10 seconds, and the charging case's indicator will blink white for 3 seconds and turn off, indicating the earbuds have been reset successfully (the connection records between the left and right earbuds, and the earbuds and the phone have been cleared).



Press and hold for 10 seconds

45. Redmi Buds 3 earbuds are *not* capable of wirelessly communicating with the mobile base station.

46. Xiaomi sells the Accused Products with a mobile base station that includes a connection hole, a user input button, at least one processor, at least one memory, and circuitry. The Accused Products systems are designed and intended to be used by plugging the earbuds into connection holes of the base station for charging and for two-way wired data communication.

COUNT I
INFRINGEMENT OF U.S. PATENT NO. 10,455,066

47. Pinn incorporates the above paragraphs herein by reference.

48. The '066 Patent is valid, enforceable, and was duly issued in full compliance with Title 35 of the United States Code.

49. As the owner of the '066 Patent, Pinn holds all substantial rights in and to the '066 Patent, including the right to exclude others from practicing its patented inventions, the right to enforce the '066 Patent, and the right to sue and recover damages for infringement of the '066 Patent.

50. Xiaomi has no authority or license to practice the inventions claimed in the '066 Patent.

51. The Accused Products are designed to provide consumers with a product comprising a base station, earbuds, a connection hole, a user input button, and electrical circuitry designed to connect the earbuds to the base station, all of which form an integrated body capable of wirelessly pairing with a smartphone such that the wireless earbud can receive audio data that originated from the smartphone.

52. Xiaomi has infringed and continues to infringe one or more claims, including Claim 1 of the '066 Patent by making, using, selling, and/or, offering for sale the Accused Products in the United States, and/or importing the Accused Products into the United States, without authority to do so.

53. Xiaomi has infringed and continues to infringe the '066 Patent either directly or through the acts of inducement in violation of 35 U.S.C. § 271.

54. Since receiving notice of the '066 Patent, Xiaomi has continued to perform acts of infringement and has taken no steps to modify the Accused Products.

55. Xiaomi markets and encourages its users to use numerous variations of its wireless earbuds.

56. As exemplified in the above paragraphs, the use of one or more of the Accused Products performs a method of connecting a user's smartphone to the wireless earbuds to play sound through the earbuds.

57. As a result of Xiaomi's past infringing conduct, Xiaomi is liable to Pinn in an amount that adequately compensates it for Xiaomi's infringement, which, by law, can be no less than a reasonable royalty, together with interest and costs as fixed by the Court under 35 U.S.C. § 284.

58. Pinn has been damaged by Xiaomi's infringement of the '066 Patent.

59. As a result of Xiaomi's ongoing infringing conduct described in this Count, Pinn will continue to be damaged unless Xiaomi is enjoined from further infringement.

COUNT II
INDUCED PATENT INFRINGEMENT OF U.S. PATENT NO 10,455,066

60. Plaintiff realleges and incorporates the above paragraphs by reference.

61. Xiaomi is liable for indirect infringement under 35 U.S.C. § 271(b) of at least Claim 1, of the '066 Patent at least as early as service of the Complaint, because it knowingly encourages, aids, and directs others (e.g., end users and customers) to use and operate the Accused Products in an infringing manner.

62. At least as of the date of the service of the Complaint, Xiaomi had knowledge of the '066 Patent and knowledge of its own instructions, encouragement, and directions to its users and customers with respect to use of the Accused Products. Since that time, Xiaomi specifically intended, and continues to specifically intend, for persons who acquire and use the Accused Products, including Xiaomi's customers (e.g., individual users, etc.), to use the Accused Products in a manner that infringes the '066 Patent. Xiaomi encourages others, including their customers, to use the Accused Products in the United States without authority. This is evident when Xiaomi encourages and instructs customers and other end users in the use and operation of the Accused Products via advertisement, technical material, instructional material, instructional videos, and otherwise.

63. Xiaomi specifically intends the Accused Products to be used and operated in a manner that infringes one or more claims, including Claim 1, of the '066 Patent.

64. Xiaomi encourages, directs, aids, and abets the use and configuration of the Accused Products.

65. As detailed above, Xiaomi has instructed its customers to use the accused methods and Accused Products in an infringing manner.

66. Xiaomi's knowledge of the '066 Patent and Plaintiff's infringement allegations against Xiaomi, combined with its knowledge of the Accused Products and how they are used to infringe the '066 Patent, consistent with Xiaomi's promotions and instructions, demonstrate Xiaomi's specific intent to induce its users to infringe the '066 Patent.

67. Plaintiff is entitled to recover from Xiaomi compensation in the form of monetary damages suffered as a result of Xiaomi's infringement in an amount that cannot be less than a reasonable royalty, together with interest and costs as fixed by this Court.

NOTICE OF REQUIREMENT OF LITIGATION HOLD

68. Xiaomi is hereby notified that it is legally obligated to locate, preserve, and maintain all records, notes, drawings, documents, data, communications, materials, electronic recordings, audio/video/photographic recordings, and digital files, including edited and unedited or "raw" source material, and other information and tangible things that Xiaomi knows, or reasonably should know, may be relevant to actual or potential claims, counterclaims, defenses, and/or damages by any party or potential party in this

lawsuit, whether created or residing in hard copy form or in the form of electronically stored information (hereafter, “Potential Evidence”). As used above, the phrase “electronically stored information” includes, without limitation: computer files (and file fragments), e-mail (both sent and received, whether internally or externally), information concerning e-mail (including but not limited to logs of e-mail history and usage, header information, and deleted but recoverable e-mails), text files (including drafts, revisions, and active or deleted word processing documents), instant messages, audio recordings and files, video footage and files, audio files, photographic footage and files, spreadsheets, databases, calendars, telephone logs, contact manager information, internet usage files, and all other information created, received, or maintained on any and all electronic and/or digital forms, sources and media, including, without limitation, any and all hard disks, removable media, peripheral computer or electronic storage devices, laptop computers, mobile phones, personal data assistant devices, Blackberry devices, iPhones, video cameras and still cameras, and any and all other locations where electronic data is stored. These sources may also include any personal electronic, digital, and storage devices of any and all of Defendants’ agents, resellers, or employees, if Defendants’ electronically stored information resides there.

69. Xiaomi is hereby further notified and forewarned that any alteration, destruction, negligent loss, or unavailability, by act or omission, of any Potential Evidence may result in damages or a legal presumption by the Court and/or jury that

the Potential Evidence is not favorable to Defendants' claims and/or defenses. To avoid such a result, Defendants' preservation duties include, but are not limited to, the requirement that Defendants immediately notify its agents and employees to halt and/or supervise the auto-delete functions of Defendants' electronic systems and refrain from deleting Potential Evidence, either manually or through a policy of periodic deletion.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for the following relief:

1. Judgment that Xiaomi has directly infringed one or more valid claims of the '066 Patent;
2. Judgment that Xiaomi has indirectly infringed one or more valid claims of the '066 Patent;
3. An award of damages adequate to compensate Pinn for Xiaomi'S infringement up to and including the date such judgment is entered, to the full extent damages are available under 35 U.S.C. §§ 154(d), 284, or otherwise, along with prejudgment and post-judgment interest at the highest allowable rates;
4. An award of enhanced and/or treble damages, pursuant to 35 U.S.C. § 284;

5. Judgment that this case is exceptional, along with a corresponding award of reasonable attorney's fees, pursuant to 35 U.S.C. § 285;
6. Costs and disbursements, pursuant to Fed. R. Civ. P. 54(d), 28 U.S.C. § 1920, 35 U.S.C. § 284, or as otherwise available;
7. An accounting;
8. A permanent injunction, or, alternatively (if the Court declines to grant injunctive relief), and to the extent calculable, damages adequate to compensate Pinn for Xiaomi'S ongoing or future infringement;
9. Such other and further relief, whether at law or in equity, as the Court deems just and proper.

JURY DEMAND

Plaintiff hereby demands a trial by jury of all issues so triable pursuant to Fed. R. Civ. P. 38.

Dated: January 5, 2024

Respectfully Submitted,

By: /s/ David A. Skeels

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