

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION**

FLEXIWORLD TECHNOLOGIES, INC.,

Plaintiff,

v.

LEXMARK INTERNATIONAL, INC.,

Defendant.

CASE NO.

PATENT CASE

JURY TRIAL DEMANDED

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Flexiworld Technologies, Inc., files this Complaint for Patent Infringement against Lexmark International, Inc. alleging as follows:

NATURE OF THE SUIT

1. This is a claim for patent infringement arising under the patent laws of the United States, Title 35 of the United States Code. This cause of action asserts infringement of United States Patent Nos. 9,036,181 (“the ’181 Patent”), 10,140,071 (“the ’071 Patent”), and 10,873,856 (“the ’856 Patent”) (collectively, the “Patents-in-Suit”).

THE PARTIES

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

3. Defendant **Lexmark International, Inc.** (“**Lexmark**”) is a Delaware corporation with a regular and established place of business located at 740 W. New Circle Road, Lexington, Kentucky 40550. Lexmark can be served through its registered agent at The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

JURISDICTION AND VENUE

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

5. Lexmark is subject to personal jurisdiction in this Court. In particular, this Court has personal jurisdiction over Lexmark because Lexmark, directly and through its subsidiaries, divisions, groups, or distributors, has sufficient minimum contacts with this forum as a result of business conducted within the Commonwealth of Kentucky and/or pursuant to Fed. R. Civ. P. 4(k)(2). Furthermore, Lexmark is headquartered in this District. Furthermore, on information and belief, Lexmark has engaged in continuous, systematic, and substantial activities within this State, including substantial marketing and sales of products within this State and this District. Furthermore, on information and belief, this Court has personal jurisdiction over Lexmark because Lexmark has committed acts giving rise to Flexiworld's claims for patent infringement within and directed to this District.

6. Furthermore, on information and belief, Lexmark has purposefully and voluntarily placed one or more infringing products into the stream of commerce with the expectation that they will be purchased and/or used by residents of this judicial District, including by directly and indirectly working with distributors, and other entities located in the Commonwealth of Kentucky, to ensure the accused products reach the Commonwealth of Kentucky and this judicial District.

7. Lexmark also maintains commercial websites accessible to residents of the Commonwealth of Kentucky and this judicial District, through which Lexmark promotes and facilitates sales of the accused products. For example, Lexmark's website <https://lexmark.com> is

accessible to consumers in the United States, including those in the Commonwealth of Kentucky and this judicial District, where Lexmark supplies information about products that can be purchased and/or used in this judicial District, including the accused products identified herein.

8. This Court has general jurisdiction over Lexmark due to Lexmark's continuous and systematic contacts with the Commonwealth of Kentucky and this jurisdiction. Further, Lexmark is subject to this Court's jurisdiction because it has committed patent infringement in the Commonwealth of Kentucky and this jurisdiction. Thus, Lexmark has established minimum contacts with the Commonwealth of Kentucky and the exercise of jurisdiction would not offend traditional notions of fair play and substantial justice.

9. On information and belief, Lexmark has committed acts of infringement in this District and has one or more regular and established places of business within this District under the language of 28 U.S.C. § 1400(b). Lexmark maintains a permanent physical presence within the Eastern District of Kentucky, conducting business from at least its location at 740 W. New Circle Road, Lexington, Kentucky 40550. Thus, venue is proper in this District with respect to Lexmark under 28 U.S.C. § 1400(b).

10. In addition, on information and belief, venue is proper in this judicial district under 28 U.S.C. § 1391(b), (c) and 1400(b) because Lexmark has conducted and does conduct substantial business in this forum, directly and/or through subsidiaries, agents, representatives, or intermediaries, such substantial business including but not limited to: (i) at least a portion of the infringements alleged herein; (ii) purposefully and voluntarily placing one or more infringing products into the stream of commerce with the expectation that they will be purchased by consumers in this forum; or (iii) regularly doing or soliciting business, engaging in other persistent

courses of conduct, or deriving substantial revenue from goods and services provided to individuals in Kentucky and in this judicial district.

11. Venue is therefore proper in the Eastern District of Kentucky pursuant to 28 U.S.C. § 1400(b).

FLEXIWORLD AND THE PATENTS-IN-SUIT

12. Flexiworld is a pioneer and leading innovator in the field of pervasive wireless technologies.

13. Flexiworld was founded by American scientist and inventor William Ho Chang and is an innovator engaged in research and development of technologies for wireless applications and embedded solutions in short-range wireless (e.g., WiFi, Bluetooth) and mobile device markets.

14. Flexiworld has significantly contributed to the innovation of wireless devices such as mobile phones, notebooks, PDAs, digital cameras, wireless television, wireless printers, wireless audio devices, etc.

15. Flexiworld was voted the best early-stage company in the Pacific Northwest in 2002 and Flexiworld's business plan was also voted, consecutively, as the top 2 among the "Ten Best" in 2002 and in 2003 by the Business Journal in Silicon Valley, USA.

16. Flexiworld's innovative work and results have been widely recognized in the industry. The company's patents have been repeatedly forward cited by major technology companies worldwide, including by Seiko Lexmark Corporation.

17. Flexiworld has developed wireless applications and embedded solutions for the short-range wireless and mobile device market.

18. William H. Chang, one of the named co-inventors on the Patents-in-Suit, is the founder and President of Flexiworld. Mr. Chang has been granted over 88 United States patents and over 100 patents worldwide on his inventions.

19. Christina Ying Liu, one of the named co-inventors on the Patents-in-suit, is a Flexiworld shareholder. Ms. Liu has been granted over 65 United States patents and over 75 patents worldwide on her inventions.

The '181 Patent

21. The '181 Patent, entitled “Wireless Printing Device For Printing Digital Content Received Via Wireless Communication Compatible, At Least Partly, With IEEE 802.11 or Bluetooth,” duly and legally issued on May 19, 2015, from U.S. Patent Application No. 12/764,015, filed on April 20, 2010, naming William Ho Chang and Christina Ying Liu as the inventors. A true and correct copy of the '181 Patent is attached hereto as **Exhibit 1** and is incorporated by reference.

22. The '181 Patent claims patent-eligible subject matter under 35 U.S.C. § 101.

23. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '181 Patent.

24. An assignment of the '181 Patent from inventors Chang and Liu to Flexiworld is recorded at the United States Patent and Trademark Office (“PTO”) at Reel/Frame 029112/0430.

25. Flexiworld has standing to sue for infringement of the '181 Patent.

The '071 Patent

26. The '071 Patent, entitled “Printers, Printer Controllers, Printer Software, or Printer Firmware for Supporting Wireless Printing or Printing Over Air,” duly and legally issued on November 27, 2018, from U.S. Patent Application No. 15/332,432, filed on October 24, 2016,

naming William Ho Chang and Christina Ying Liu as the inventors. A true and correct copy of the '071 Patent is attached hereto as **Exhibit 2** and is incorporated by reference.

27. The '071 Patent claims patent-eligible subject matter under 35 U.S.C. § 101.

28. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '071 Patent.

29. An assignment of the '071 Patent from inventors Chang and Liu to Flexiworld is at the PTO at Reel/Frame 042385/0202.

30. Flexiworld has standing to sue for infringement of the '071 Patent.

The '856 Patent

31. The '856 Patent, entitled "Printing Devices Supporting Printing Over Air or Printing Over A Wireless Network," duly and legally issued on December 22, 2020, from U.S. Patent Application No. 15/713,546, filed on September 22, 2017, naming William Ho Chang and Christina Ying Liu as the inventors. A true and correct copy of the '856 Patent is attached hereto as **Exhibit 3** and is incorporated by reference.

32. The '856 Patent claims patent-eligible subject matter under 35 U.S.C. § 101.

33. Flexiworld is the owner and assignee of all rights, title, and interest in and under the '856 Patent.

34. An assignment of the '856 Patent from inventors Chang and Liu to Flexiworld is recorded at the United States Patent and Trademark Office ("PTO") at Reel/Frame 043675/0454.

35. Flexiworld has standing to sue for infringement of the '856 Patent.

GENERAL ALLEGATIONS

36. Lexmark has not obtained a license to any of the Patents-in-Suit.

37. Lexmark did not have Flexiworld's permission to make, use, sell, offer to sell, or import products or practice methods that are covered by one or more claims of any of the Patents-in-Suit.

38. Lexmark has made, used, sold, offered to sell, and/or imported into the United States products as claimed in each of the Patents-in-Suit.

39. Lexmark has infringed (literally and/or under the doctrine of equivalents), directly, indirectly, and/or through subsidiaries, agents, representatives, or intermediaries, one or more claims of each of the Patents-in-Suit by making, using, selling, offering to sell, testing, supplying, causing to be supplied, and/or importing into the United States wireless printers that infringe at least one claim of one or more of the Patents-in-Suit, including but not limited to Lexmark's Go Line series of wireless printers and those identified in **Exhibits 4-6** attached hereto ("**the Accused Wireless Printers**").

40. Lexmark's customers have directly infringed the Patents-in-Suit at least by using the Accused Wireless Printers. Through its product manuals, website, and/or sales and marketing activities, Lexmark has solicited, instructed, encouraged, and aided and abetted its customers to purchase and use the Accused Wireless Printers in an infringing way.

41. Lexmark has been aware of Flexiworld since April 2002. For example, in an article about Flexiworld titled "Vancouver startup looks to revolutionize use of printers," Lexmark's manager of third-party alliances noted that "Flexiworld's concept is ahead of its time." See **Exhibit 7**, Rogoway, Mike, *Vancouver startup looks to revolutionize the use of printers*, The Columbian (Apr. 18, 2002).

42. Lexmark saw promise in what Flexiworld was developing. Specifically, Lexmark's manager of third-party alliances was quoted as saying about Flexiworld: "They are doing things

to help mobile devices be able to print things, and that is certainly something that has been lacking in the past. That's certainly an area that has a lot of room for invention there." *Id.*

43. On information and belief, Lexmark has had knowledge of the Patents-in-Suit since they issued.

44. Alternatively, Lexmark has had knowledge of the Patents-in-Suit at least since receipt of Flexiworld's July 23, 2021 notice letter, which identified the Patents-in-Suit and the Accused Wireless Printers as infringing the Patents-in-Suit ("the July 23, 2021 Notice Letter").

45. By receiving such notice of infringement, Lexmark obtained a subjective belief that there is a high probability that the Accused Wireless Printers infringe the Patents-in-Suit. Despite being put on notice of infringement, on information and belief Lexmark did not take any actions to avoid the conduct alleged to infringe and did not seek to remedy its infringements by offering reasonable compensation for using the Patents-in-Suit. Lexmark's failure to act reflects deliberate actions to avoid learning that the Accused Wireless Printers infringe the Patents-in-Suit and, more generally, a policy of not earnestly reviewing and respecting the intellectual property of others.

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

47. Despite having knowledge of the Patents-in-Suit, as well as knowledge that it was directly and/or indirectly infringing one or more claims of each Patent-in-Suit, Lexmark nevertheless proceeded to infringe the Patents-in-Suit, and induce others to do the same, with full and complete knowledge of the applicability of the Patents-in-Suit to the Accused Wireless Printers, without a license and without a good faith belief that the claims of the Patents-in-Suit were not infringed. As noted above, this includes, but is not limited to, the willful blindness of

Lexmark including its refusal to investigate whether the Accused Wireless Printers infringe the Patents-in-Suit.

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

49. Lexmark marketed and sold other products that are not covered by the claims of the Patents-in-Suit but that were sold with or in conjunction with the Accused Wireless Printers (e.g., printer ink). Accordingly, Flexiworld is entitled to collect damages from Lexmark for convoyed sales of certain non-patented items.

50. Lexmark failed to obtain permission from Flexiworld to make, use, sell, offer to sell, or import products incorporating the inventions claimed in the Patents-in-Suit including, but not limited to, the Accused Wireless Printers.

51. Attached hereto are **Exhibits 4-6**, and incorporated herein by reference, are representative claim charts detailing how the exemplar Accused Wireless Printers have infringed the Patents-in-Suit.

52. For each count of infringement listed below, Flexiworld incorporates and re-states the allegations contained in the preceding paragraphs above, including these General Allegations, as if fully set forth in each count of infringement.

COUNT I – INFRINGEMENT OF THE '181 PATENT

53. Flexiworld incorporates herein the allegations made in paragraphs 1 through 52.

54. Lexmark has directly infringed one or more claims of the '181 Patent, including, for example, claim 1, in violation of 35 U.S.C. § 271(a) by making, using, selling, offering for

sale, and/or importing into the United States infringing products including, but not limited to, the Accused Wireless Printers.

55. An exemplary claim chart demonstrating Lexmark's infringement of the '181 Patent, as well as Lexmark's customers' infringement of the '181 Patent, which is induced by Lexmark, is attached as **Exhibit 4** and incorporated herein by reference.

56. Additionally, on information and belief, Lexmark has indirectly infringed the '181 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase the Accused Wireless Printers and/or by instructing customers how to use the Accused Wireless Printers in a way that directly infringed at least claim 1 of the '181 Patent.

57. Lexmark has had actual knowledge of the '181 Patent since the issuance of the '181 Patent. Alternatively, Lexmark has had actual knowledge of the '181 Patent since receipt of July 23, 2021 Notice Letter.

58. On information and belief, Lexmark's actions represented a specific intent to induce infringement of at least claim 1 of the '181 Patent. For example, Lexmark offered its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '181 Patent via at least their use of the Accused Wireless Printers. *See, e.g.,* https://support.lexmark.com/en_us.html; *see also* **Exhibit 4** and materials cited therein.

59. As a result of Lexmark's infringement of the '181 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

COUNT II – INFRINGEMENT OF THE '071 PATENT

60. Flexiworld incorporates herein the allegations made in paragraphs 1 through 59.

61. Lexmark has directly infringed one or more claims of the '071 Patent, including, for example, claim 1, in violation of 35 U.S.C. § 271(a) by making, using, selling, offering for sale, and/or importing into the United States infringing products including, but not limited to, the Accused Wireless Printers.

62. An exemplary claim chart demonstrating Lexmark's infringement of the '071 Patent, as well as Lexmark's customers' infringement of the '071 Patent, which is induced by Lexmark, is attached as **Exhibit 5** and incorporated herein by reference.

63. Additionally, on information and belief, Lexmark has indirectly infringed the '071 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase the Accused Wireless Printers and/or by instructing customers how to use the Accused Wireless Printers in a way that directly infringed at least claim 1 of the '071 Patent.

64. Lexmark has had actual knowledge of the '071 Patent since the issuance of the '071 Patent. Alternatively, Lexmark has had actual knowledge of the '071 Patent since receipt of July 23, 2021 Notice Letter.

65. On information and belief, Lexmark's actions represented a specific intent to induce infringement of at least claim 1 of the '071 Patent. For example, Lexmark offered its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '071 Patent via at least their use of the Accused Wireless Printers. *See, e.g.,* https://support.lexmark.com/en_us.html; *see also* **Exhibit 5** and materials cited therein.

66. As a result of Lexmark's infringement of the '071 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

COUNT III – INFRINGEMENT OF THE '856 PATENT

67. Flexiworld incorporates herein the allegations made in paragraphs 1 through 66.

68. Lexmark has directly infringed one or more claims of the '856 Patent, including, for example, claim 17, in violation of 35 U.S.C. § 271(a) by making, using, selling, offering for sale, and/or importing into the United States infringing products including, but not limited to, the Accused Wireless Printers.

69. An exemplary claim chart demonstrating Lexmark's infringement of the '856 Patent, as well as Lexmark's customers' infringement of the '856 Patent, which is induced by Lexmark, is attached as **Exhibit 6** and incorporated herein by reference.

70. Additionally, on information and belief, Lexmark has indirectly infringed the '856 Patent in violation of 35 U.S.C. § 271(b) at least by inducing customers to purchase the Accused Wireless Printers and/or by instructing customers how to use the Accused Wireless Printers in a way that directly infringed at least claim 17 of the '856 Patent.

71. Lexmark has had actual knowledge of the '856 Patent since the issuance of the '856 Patent. Alternatively, Lexmark has had actual knowledge of the '856 Patent since receipt of July 23, 2021 Notice Letter.

72. On information and belief, Lexmark's actions represented a specific intent to induce infringement of at least claim 17 of the '856 Patent. For example, Lexmark offered its customers extensive customer support and instructions that instructed and encouraged its customers to infringe the '856 Patent via at least their use of the Accused Wireless Printers. *See, e.g.,* https://support.lexmark.com/en_us.html; *see also* **Exhibit 6** and materials cited therein.

73. As a result of Lexmark's infringement of the '856 Patent, Flexiworld has suffered and is owed monetary damages adequate to compensate it for the infringement under 35 U.S.C. § 284, but in no event less than a reasonable royalty.

WILLFULNESS

74. Flexiworld incorporates herein the allegations made in paragraph 1 through 73.

75. Prior to the filing of this Complaint, as discussed above, Lexmark knew or should have known of the Patents-in-Suit and knew or should have known that it infringed the Patents-in-Suit.

76. In particular, Lexmark has been aware of Flexiworld since April 2002. For example, in an article about Flexiworld titled "Vancouver startup looks to revolutionize use of printers," Lexmark's manager of third-party alliances noted that "Flexiworld's concept is ahead of its time." See **Exhibit 7**, Rogoway, Mike, *Vancouver startup looks to revolutionize the use of printers*, The Columbian (Apr. 18, 2002).

77. Lexmark saw promise in what Flexiworld was developing. Specifically, Lexmark's manager of third-party alliances was quoted as saying about Flexiworld: "They are doing things to help mobile devices be able to print things, and that is certainly something that has been lacking in the past. That's certainly an area that has a lot of room for invention there." *Id.*

78. On information and belief, Lexmark has had knowledge of the Patents-in-Suit since they issued.

79. Alternatively, Lexmark has had knowledge of the Patents-in-Suit at least since receipt of the July 23, 2021 Notice Letter, which identified the Patents-in-Suit and the Accused Products as infringing the Patents-in-Suit.

80. At a minimum, as discussed above, Lexmark exercised willful blindness to the existence of the Patents-in-Suit and took deliberate wrongful steps to ignore infringement of the Patents-in-Suit.

81. Despite having knowledge of the Patents-in-Suit and knowledge that it was directly and/or indirectly infringing one or more claims of each Patent-in-Suit, or being willfully blind to the same, Lexmark nevertheless proceeded to infringe the Patents-in-Suit, and induce others to do the same, with knowledge of, or willful blindness to, the applicability of the Patents-in-Suit to the Accused Products, without a license and without a good faith belief that the claims of the Patents-in-Suit are not infringed.

82. For at least the reasons stated herein, Lexmark's infringing activities detailed in this Complaint and **Exhibits 4-6** have been, and continue to be, willful, egregious, wanton, and deliberate in disregard to Flexiworld's rights, justifying enhanced damages under 35 U.S.C. § 284 and attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285.

DEMAND FOR A JURY TRIAL

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

PRAYER FOR RELIEF

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

- a. A judgment that Lexmark has directly and/or indirectly infringed one or more claims of each of the Patents-in-Suit;
- b. A judgment and order requiring Lexmark to pay Flexiworld past damages under 35 U.S.C. § 284;

- c. A judgment and order requiring Lexmark to pay Flexiworld pre-judgment and post-judgment interest on the damages award;
- d. A judgment and order that Lexmark's infringements of the Patents-in-Suit be found willful and that the Court award treble damages pursuant to 35 U.S.C. § 284;
- e. Judgment that this case be found exceptional under 35 U.S.C. § 285, and award to Flexiworld its attorneys' fees and costs incurred in prosecuting this action;
- f. A judgment and order requiring Lexmark to pay Flexiworld's costs; and
- g. Such other and further relief as the Court may deem just and proper.

Dated: April 14, 2022

Respectfully submitted,

/s/ Jim Francis

JAMES M. FRANCIS
KENTUCKY BAR NO. 89834
FRANCIS LAW FIRM PLLC
4071 Tates Creek Centre Drive, Suite 304
Lexington, Kentucky 40517
P. 859-286-4500
jim@francis-law.com

TIMOTHY E. GROCHOCINSKI
(pro hac vice application to be filed)
ILLINOIS BAR NO. 6295055
CHARLES AUSTIN GINNINGS
(pro hac vice application to be filed)
NEW YORK BAR NO. 4986691
NELSON BUMGARDNER CONROY PC
15020 S. Ravinia Avenue, Suite 29
Orland Park, Illinois 60462
P. 708.675.1974
tim@nelbum.com
austin@nelbum.com