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ONE-E-WAY, INC.
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10 IN THE UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA
12

13 ONE-E-WAY, INC., a California
14 corporation,

15 Plaintiff,

16 v.

17 APPLE INC., a California corporation,
18

19 Defendant.
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Case No. 2:20-CV-06339

**SECOND AMENDED
COMPLAINT FOR PATENT
INFRINGEMENT**

DEMAND FOR JURY TRIAL

1 Plaintiff One-E-Way, Inc. (“One-E-Way”) hereby complains of Defendant
2 Apple Inc. (“Apple”), including infringement of One-E-Way’s rights in U.S. Patent
3 Nos. 8,131,391, 10,129,627 and 10,468,047 (collectively, the “Asserted Patents”),
4 and alleges as follows:

5 I. THE PARTIES

6 1. Plaintiff One-E-Way is a California corporation that, as of the date of
7 this Complaint, has its principal place of business at 3016 E. Colorado Blvd.,
8 #70848, Pasadena, California 91107.

9 2. Upon information and belief, Defendant Apple is a California
10 corporation having a principal place of business at One Apple Park Way, Cupertino,
11 California, 95014.

12 II. JURISDICTION AND VENUE

13 3. This Court has subject-matter jurisdiction under 28 U.S.C. §§ 1331 and
14 1338(a).

15 4. This civil action includes claims for patent infringement arising under
16 the patent laws of the United States, 35 U.S.C. § 100 *et seq.*, and, more particularly,
17 35 U.S.C. §§ 271 and 281.

18 5. Defendant Apple is subject to personal jurisdiction in this Judicial
19 District.

20 6. Defendant Apple conducts business throughout the United States,
21 including in this Judicial District, and operates Apple Stores in this Judicial District.

22 7. For example, through its websites and Apple Stores in this Judicial
23 District, Defendant Apple has advertised, offered to sell, sold, and/or distributed
24 infringing products, and/or induced the sale and use of infringing products in the
25 United States, including in this Judicial District. Defendant Apple has, directly or
26 through its distribution network, purposefully placed infringing products into the
27 stream of commerce knowing and expecting them to be purchased and used by
28 consumers in the United States, including in this Judicial District, and such

1 infringing products actually have been purchased and used in the United States and
2 in this Judicial District.

3 8. Venue is proper in the Central District of California pursuant to 28
4 U.S.C. § 1391 and 28 U.S.C. § 1400(b).

5 9. One-E-Way resides in this Juridical District.

6 10. Defendant Apple has regular and established places of business in this
7 Judicial District, including its operation of Apple Stores throughout this Judicial
8 District.

9 11. Defendant Apple has committed acts of infringement within this
10 Judicial District.

11 **III. STATEMENT OF THE CASE**

12 12. This action seeks relief for the infringement of One-E-Way's patents
13 by Defendant Apple.

14 **IV. STATEMENT OF FACTS**

15 13. One-E-Way is a minority-owned small business founded in Pasadena,
16 California, by C. Earl Woolfork, the named inventor on the patents asserted herein.
17 Mr. Woolfork obtained his electrical engineering degree from the University of
18 Southern California in Los Angeles.

19 14. Mr. Woolfork first conceived of the wireless audio inventions at issue
20 in the late 1990s while exercising outdoors at the popular Santa Monica Steps in Los
21 Angeles. Mr. Woolfork noticed that many people were having trouble with the wires
22 connecting their audio players to their headsets, which interrupted their exercise
23 routines. Mr. Woolfork set out to create a solution that allowed people to exercise
24 free of wires, while still enjoying high quality music. Mr. Woolfork conceived of
25 an audio system that could wirelessly communicate high quality audio data. Mr.
26 Woolfork filed a patent application to protect his high quality wireless audio
27 inventions, and later founded One-E-Way to commercialize those inventions.
28

1 Today, One-E-Way sells its patented wireless audio products through at least its
2 online retail outlet, available at <https://shop.wayvz.com/>.

3 15. Mr. Woolfork obtained and assigned to One-E-Way the Asserted
4 Patents. The inventions address several problems, including reducing interference
5 so that each wireless user can enjoy high quality private listening, even in the
6 proximity of other such wireless users. The common specification of the Asserted
7 Patents explains the use of code division multiple access technology (CDMA) with
8 unique coding to provide private listening despite other wireless audio systems
9 operating nearby in the same frequency band. The patented inventions address
10 interference from other device transmissions in the wireless audio spectrum by
11 using, for example, differential phase shift keying and processing for reduction of
12 intersymbol interference. Techniques in the patented inventions for achieving
13 private listening and for addressing interference are, among other techniques and for
14 example, used by devices compliant with the Bluetooth wireless communication
15 standard, from version 2.0 and all subsequent versions up through and including the
16 current version, version 5.2.

17 16. In August 2014, Apple received written notice from One-E-Way
18 regarding One-E-Way's U.S. Patent Nos. 7,865,258 and 8,131,391 (respectively, the
19 "'258 and '391 patents"), as well as One-E-Way's U.S. Patent Nos. 7,412,294 and
20 7,684,885. In particular, One-E-Way identified certain wireless headphone,
21 earphone and speaker products by Beats Electronics, LLC that infringed at least
22 One-E-Way's '258 and '391 patents. One-E-Way also stated that the disclosed
23 inventions in the '258 and '391 patents "apply to a transmitter and/or receiver,"
24 including "a smartphone." In August and November, 2014, Apple responded to
25 One-E-Way's written notice.

26 17. In its November 2014 letter responding to One-E-Way, Apple
27 represented that "Apple acquired Beats Electronics earlier this year," and
28 acknowledged Apple's "investigation" and "careful review of the '258 and '391

1 patents” for the purpose of Beats or Apple potentially licensing One-E-Way’s
2 patents.

3 18. On information and belief, Defendant Apple is a provider of Bluetooth-
4 compatible wireless audio products. Specifically, Defendant Apple offers for sale
5 and sells in the United States wireless earbud products including, at least, its AirPods
6 and AirPods Pro, which were commercially released in the United States in 2016
7 and 2019, respectively. Defendant Apple also offers for sale and sells in the United
8 States a wireless speaker product called the HomePod.

9 19. Apple has advertised its AirPods, AirPods Pro and HomePod (the
10 “Apple Accused Receiver Products”) as having Bluetooth connectivity, and has
11 advertised the benefits of their Bluetooth connectivity, for example, at
12 <https://www.apple.com/airpods/>, <https://www.apple.com/airpods-2nd-generation/>,
13 <https://www.apple.com/airpods-pro/>, <https://www.apple.com/homepod/> and
14 <https://www.apple.com/shop/buy-homepod/homepod/white>.

15 20. Apple has advertised the Apple Accused Receiver Products as having
16 connectivity using Bluetooth version 4.0 or later.

17 21. On information and belief, Defendant Apple is a provider of Bluetooth-
18 compatible wireless audio transmitter products. Specifically, Defendant Apple
19 offers for sale and sells in the United States the following products: iPhone, iPad,
20 iPod and Apple Watch.

21 22. Apple has advertised its iPhone, iPad, iPod and Apple Watch (the
22 “Apple Accused Transmitter Products”) as having Bluetooth connectivity, and has
23 advertised the benefits of their Bluetooth connectivity, for example, at
24 <https://www.apple.com/iphone/compare/>, <https://www.apple.com/ipad/compare/>,
25 <https://www.apple.com/ipod-touch/specs/>, <https://www.apple.com/watch/compare/>.

26 23. Apple has advertised the Apple Accused Transmitter Products as
27 having connectivity using Bluetooth version 4.1 or later.
28

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