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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

PAX LABS INC.,
Plaintiff,
v.
STIIIZY IP LLC f/k/a STIIIZY,
LLC, and
STIIIZY INC. d/b/a SHRYNE
GROUP INC.
Defendants.

Case No. [_____]

COMPLAINT FOR PATENT
INFRINGEMENT

DEMAND FOR JURY TRIAL

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COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff PAX Labs Inc. (“PAX Labs” or “Plaintiff”), by and through undersigned counsel, respectfully alleges, states, and prays as follows:

NATURE OF THE ACTION

1. This is an action for patent infringement under the Patent Laws of the United States, Title 35 United States Code, §§ 271 and 281, *et seq.* against STIIIZY IP LLC f/k/a STIIIZY, LLC. (herein “STIIIZY LLC”) and STIIIZY Inc. d/b/a Shryne Group Inc. (herein “STIIIZY INC,” together with STIIIZY LLC, “Defendants”), for infringing and profiting, in an illegal and unauthorized manner, and without authorization and/or consent from Plaintiff for U.S. Patent Nos. 11,369,756 (the “’756 Patent”); 11,369,757 (the “’757 Patent”); 11,766,527 (the “’527 Patent”); 11,759,580 (the “’580 Patent” together with the ’756 Patent, ’757 Patent, and ’527 Patent, collectively the “Patents-in-Suit”) which are attached hereto as Exhibit A, respectively, and incorporated herein by reference, and pursuant to 35 U.S.C. § 271, to recover damages, attorneys’ fees and costs.

PARTIES

2. Plaintiff PAX Labs Inc. is a company organized under the laws of the State of Delaware having its principal place of business at 660 Alabama St., Second Floor, San Francisco, CA 94110.

3. Upon information and belief, STIIIZY, LLC is a California state limited liability company with its principal place of business located at 728 East Commercial Street, Los Angeles, CA 90012. Upon information and belief, in March 2023, STIIIZY, LLC changed its company name to STIIIZY IP LLC.

4. Upon information and belief, Shryne Group Inc. was a California state company with its principal place of business located at 2001 South Alameda Street, Los Angeles, CA 90058. Upon information and belief, STIIIZY Inc. was a subsidiary of Shryne Group Inc. and incorporated in the State of Delaware. Upon information and belief, in March 2023, Shryne Group Inc. was merged into

1 STIIIZY Inc. with the name of the surviving company being “STIIIZY Inc.” Upon
2 information and belief, the surviving STIIIZY Inc. is a Delaware state company
3 with a principal place of business located at 2001 South Alameda Street, Los
4 Angeles, CA 90058. Upon information and belief, STIIIZY Inc. is the parent
5 company of STIIIZY IP LLC.

6 5. Upon information and belief, Defendants have conducted and
7 continue to conduct business in this judicial district, such as marketing and sales to
8 the customers located in this district.

9 **JURISDICTION AND VENUE**

10 6. This is an action for patent infringement arising under the patent laws
11 of the United States, 35 U.S.C. §§ 1, *et seq.*

12 7. This Court has subject matter jurisdiction over this case pursuant to 28
13 U.S.C. §§ 1331 and 1338(a).

14 8. This Court has personal jurisdiction over the Defendants by their
15 systematic and continuous business and acts of patent infringement and/or having
16 induced acts of patent infringement by others in this district and/or having
17 contributed to patent infringement by others in this district, the State of California
18 and elsewhere in the United States. This Court further has personal jurisdiction
19 over the STIIIZY and Shryne Defendants by these Defendants residing in this
20 district.

21 9. Defendants are subject to this Court’s specific and general jurisdiction
22 pursuant to their substantial business in this forum, including (i) at least part of
23 their past infringing activities alleged herein; (ii) regularly doing or soliciting
24 business; and (iii) driving substantial revenue from goods and services provided to
25 customers in this district. The STIIIZY and Shryne Defendants are further subject
26 to this Court’s specific and general jurisdiction pursuant to their being incorporated
27 in this district.

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1 14. The '527 Patent has 30 claims, including six independent claims (1, 5,
2 11, 18, 23, and 26), and 24 dependent claims (2-4, 6-10, 12-17, 19-22, 24-25, and
3 27-30). Plaintiff is asserting claims 1-30 against Defendants, each of whose
4 accused products infringe the referenced claims literally or under the doctrine of
5 equivalents.

6 **D. The '580 Patent**

7 15. On September 19, 2023, the USPTO duly and legally issued U.S.
8 Patent No. 11,759,580 (the "'580 Patent"), entitled "LEAK - RESISTANT
9 VAPORIZER DEVICE" after a full and fair examination. The '580 Patent is
10 attached hereto as Exhibit A and incorporated herein as if fully rewritten.

11 16. The '580 Patent has 20 claims, including six independent claims (1, 6,
12 8, 11, 16, and 18), and 14 dependent claims (2-5, 7, 9-10, 12-15, 17, and 19-20).
13 Plaintiff is asserting claims 1-20 against Defendants, each of whose accused
14 products infringe the referenced claims literally or under the doctrine of
15 equivalents.

16 17. Plaintiff is the sole and exclusive owner of all right, title and interest
17 in the '756, '757, '527, and '580 Patents and holds the exclusive right to take all
18 actions necessary to enforce its rights to the Patents-in-Suit, including the filing of
19 this patent infringement action, recovering all damages for past, present, and future
20 infringement of the Patents-in-Suit and seeking injunctive relief as appropriate
21 under the law.

22 **DEFENDANTS' PRODUCTS**

23 22. During the enforceability period of the Patents-in-Suit, Defendants
24 have offered and continue to offer for sale vaporizing devices capable of
25 vaporizing oils, including vaporizing cartridges and downstream products such as
26 vaporizers that contain a vaporizing cartridge. A vaporizer (also often referred to as
27 a "vaping product," "vaping device," or "vape pen"), as defined for this Complaint,
28

1 is a convenient and portable device configured for medical and/or adult use of
2 vaporizable materials including plant-derived oil extracts with high viscosity.

3 23. As illustrated in Figure 1, a vaporizer generally includes two
4 components: (i) a vaporizer cartridge (also referred to as a “vaporizing cartridge,”
5 “vaping cartridge,” “pod,” or “cartridge”) that can be filled with vaporizable oils
6 and (ii) a vaporizer body (also referred to as a “battery,” “vaporizer battery,” or
7 “battery device”) that can control the atomization of the vaporizable oils in the
8 vaporizer cartridge. As illustrated in Figure 2, the vaporizer cartridge may include
9 a mouthpiece, a reservoir, and a heater chamber (also referred to as a “vaporization
10 chamber”) including an atomizer. As illustrated in Figure 3, the vaporizer body
11 may include a cartridge receiver receiving the vaporizer cartridge and a sensor (not
12 shown) used to detect a draw on the mouthpiece.

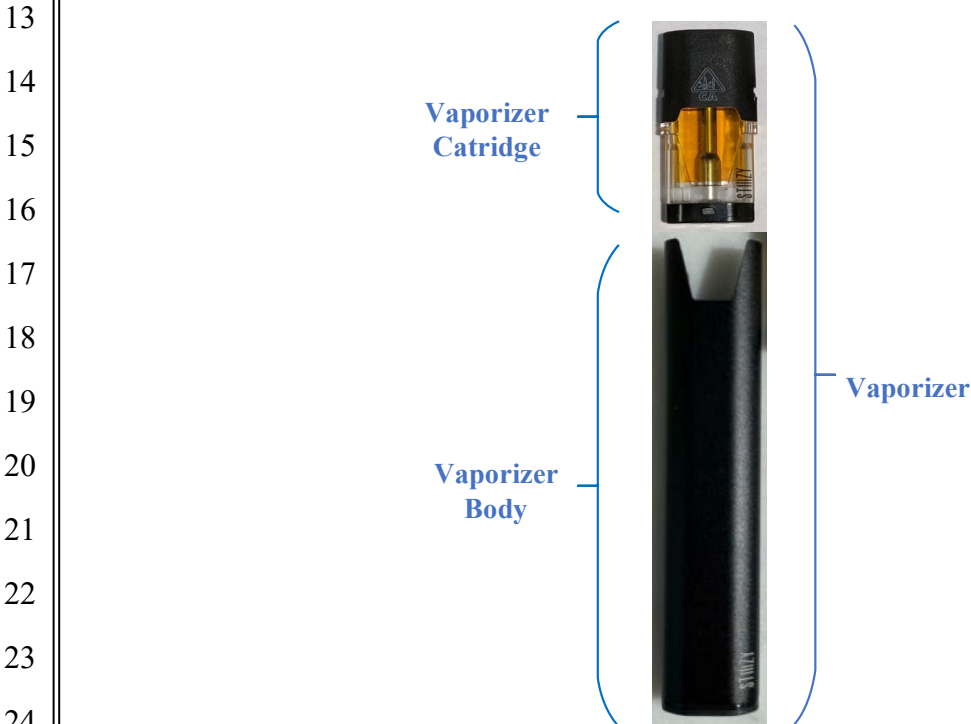


Figure 1: Illustration of vaporizer, vaporizer cartridge, and vaporizer body

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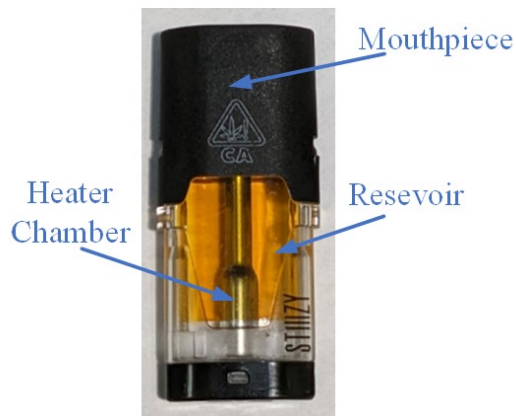


Figure 2: Illustration of mouthpiece, reservoir, and heater chamber



Figure 3: Illustration of cartridge receiver

24. Upon information and belief, Defendants' Accused Products include at least STIIIZY 1 Gram Vaporizer Cartridge, STIIIZY 0.5 Gram Vaporizer Cartridge, STIIIZY (Original) Vaporizer with STIIIZY 0.5 Gram Vaporizer Cartridge, STIIIZY (Original) Vaporizer with STIIIZY 1 Gram Vaporizer Cartridge, STIIIZY BIIG Vaporizer with 0.5 Gram Vaporizer Cartridge, STIIIZY BIIG Vaporizer with 1 Gram Vaporizer Cartridge, STIIIZY LIIL Vaporizer, and components thereof.

1 end-users, to directly infringe, literally or under the doctrine of equivalents, by
2 making, testing, using, offering for sale, selling or having sold in the United States,
3 and/or importing or having imported into the United States, including within this
4 judicial district, products that include infringing technology protected by the '756
5 Patent, in violation of 35 U.S.C. § 271(b). For example, Defendants have provided
6 information and instruction on using the Accused Products in an infringing manner
7 evidenced at least by the instructions and information contained in Defendants'
8 product guides and instructional materials. *See, e.g.*, Exhibit B at 233 and 237
9 (STIIIZY's user manual recites "[i]nset STIIIZY pod (Sold Separately) into the
10 battery device prior to use"). Defendants further induced infringement by others,
11 including customers and end users, with the intent to cause infringing acts by
12 others or, in the alternative, with the belief that there was a high probability that
13 others, including customers and end users, infringe the '756 Patent, but remaining
14 willfully blind to the infringement.

15 31. Defendants have contributed and continue to contribute to the
16 infringement of the '756 Patent by others, including customers and end-users, by
17 offering for sale, selling or having sold in the United States, and/or importing or
18 having imported into the United States, including within this judicial district,
19 products that include infringing technology protected by the '756 Patent, including
20 the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIG
21 Vaporizer Battery, which are especially made for infringing use, with the
22 knowledge that such use is infringing, and with the knowledge that these products
23 are part to such infringing uses and not a staple article or commodity of commerce
24 suitable for substantial non-infringing use, in violation of 35 U.S.C. § 271(c). For
25 example, the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIG
26 Vaporizer Battery are specially made or adapted to practice the invention claimed
27 in at least claims 5-7 of the '756 Patent. The accused infringing components in the
28 Accused Products have no substantial use other than practicing the invention

1 claimed in at least claims 5-7 of the '756 Patent. The accused infringing
2 components in the Accused Products constitute a material part of the claimed
3 invention recited in at least claims 5-7 of the '756 Patent and is not a staple article
4 or commodity of commerce suitable for substantial non-infringing use.

5 32. As a result of Defendants' infringement of the '756 Patent, Plaintiff
6 has suffered monetary damages and is entitled to a monetary judgement in an
7 amount adequate to compensate for Defendants' past infringement, together with
8 interests and costs.

9 33. Plaintiff's Exhibit B is for the purpose of meeting the notice
10 requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure and the
11 Plaintiff is not estopped by any infringement contention or claim construction
12 proposed by the claim charts that it provides with this Complaint.

13 **COUNT II: INFRINGEMENT OF THE '757 PATENT**

14 34. Paragraphs 1 through 33 are incorporated by reference as if fully set
15 forth herein.

16 35. Plaintiff has not licensed or otherwise authorized Defendants to make,
17 test, use, offer for sale, sell, or import any products that embody the inventions of
18 the '757 Patent.

19 36. Defendants have had knowledge of infringement of the '757 Patent at
20 least as of their receipt of a parallel ITC Complaint dated January 29, 2024
21 involving the same asserted patents.

22 37. As shown in Exhibit B, Defendants have infringed and continue to
23 knowingly and intentionally directly infringe the '757 Patent, including claims 1-
24 20, literally or under the doctrine of equivalents, without authority and in violation
25 of 35 U.S.C. § 271, by making, testing, using, offering for sale, selling and having
26 sold, and/or importing and having imported into the United States, including within
27 this judicial district, products that satisfy each and every limitation of one or more
28 claims of the '757 Patent.

1 38. Defendants have induced and continue to induce infringement of the
2 '757 Patent by actively and knowingly inducing others, including customers and
3 end-users, to directly infringe, literally or under the doctrine of equivalents, by
4 making, testing, using, offering for sale, selling or having sold in the United States,
5 and/or importing or having imported into the United States, including within this
6 judicial district, products that include infringing technology protected by the '757
7 Patent, in violation of 35 U.S.C. § 271(b). For example, Defendants have provided
8 information and instruction on using the Accused Products in an infringing manner
9 evidenced at least by the instructions and information contained in Defendants'
10 product guides and instructional materials. *See, e.g.*, Exhibit B at 15 and 19
11 (STIIIZY's user manual recites "[i]nset STIIIZY pod (Sold Separately) into the
12 battery device prior to use"). Defendants further induced infringement by others,
13 including customers and end users, with the intent to cause infringing acts by
14 others or, in the alternative, with the belief that there was a high probability that
15 others, including customers and end users, infringe the '757 Patent, but remaining
16 willfully blind to the infringement.

17 39. Defendants have contributed and continue to contribute to the
18 infringement of the '757 Patent by others, including customers and end-users, by
19 offering for sale, selling or having sold in the United States, and/or importing or
20 having imported into the United States, including within this judicial district,
21 products that include infringing technology protected by the '757 Patent, including
22 the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIG
23 Vaporizer Battery, which are especially made for infringing use, with the
24 knowledge that such use is infringing, and with the knowledge that these products
25 are part to such infringing uses and not a staple article or commodity of commerce
26 suitable for substantial non-infringing use, in violation of 35 U.S.C. § 271(c). For
27 example, the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIG
28 Vaporizer Battery are specially made or adapted to practice the invention claimed

1 in at least claims 9-11 and 15-20 of the '757 Patent. The accused infringing
2 components in the Accused Products have no substantial use other than practicing
3 the invention claimed in at least claims 9-11 and 15-20 of the '757 Patent. The
4 accused infringing components in the Accused Products constitute a material part
5 of the claimed invention recited in at least claims 9-11 and 15-20 of the '757 Patent
6 and is not a staple article or commodity of commerce suitable for substantial non-
7 infringing use.

8 40. As a result of Defendants' infringement of the '757 Patent, Plaintiff
9 has suffered monetary damages and is entitled to a monetary judgement in an
10 amount adequate to compensate for Defendants' past infringement, together with
11 interests and costs.

12 41. Plaintiff's Exhibit B is for the purpose of meeting the notice
13 requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure and the
14 Plaintiff is not estopped by any infringement contention or claim construction
15 proposed in the claim charts that it provides with this Complaint.

16 **COUNT III: INFRINGEMENT OF THE '527 PATENT**

17 42. Paragraphs 1 through 41 are incorporated by reference as if fully set
18 forth herein

19 43. Plaintiff has not licensed or otherwise authorized Defendants to make,
20 test, use, offer for sale, sell, or import any products that embody the inventions of
21 the '527 Patent.

22 44. Defendants have had knowledge of infringement of the '527 Patent at
23 least as of their receipt of a parallel ITC Complaint dated January 29, 2024
24 involving the same asserted patents.

25 45. As shown in Exhibit B, Defendants have infringed and continue to
26 knowingly and intentionally directly infringe the '527 Patent, including claims 1-
27 30, literally or under the doctrine of equivalents, without authority and in violation
28 of 35 U.S.C. § 271(a), by making, testing, using, offering for sale, selling and

1 having sold, and/or importing and having imported into the United States,
2 including within this judicial district, products that satisfy each and every
3 limitation of one or more claims of the '527 Patent.

4 46. Defendants have induced and continue to induce infringement of the
5 '527 Patent by actively and knowingly inducing others, including customers and
6 end-users, to directly infringe, literally or under the doctrine of equivalents, by
7 making, testing, using, offering for sale, selling or having sold in the United States,
8 and/or importing or having imported into the United States, including within this
9 judicial district, products that include infringing technology protected by the '527
10 Patent, in violation of 35 U.S.C. § 271(b). For example, Defendants have provided
11 information and instruction on using the Accused Products in an infringing manner
12 evidenced at least by the instructions and information contained in Defendants'
13 product guides and instructional materials. *See, e.g.*, Exhibit B at 15 and 19
14 (STIIIZY's user manual recites "[i]nset STIIIZY pod (Sold Separately) into the
15 battery device prior to use"). Defendants further induced infringement by others,
16 including customers and end users, with the intent to cause infringing acts by
17 others or, in the alternative, with the belief that there was a high probability that
18 others, including customers and end users, infringe the '527 Patent, but remaining
19 willfully blind to the infringement.

20 47. Defendants have contributed and continue to contribute to the
21 infringement of the '527 Patent by others, including customers and end-users, by
22 offering for sale, selling or having sold in the United States, and/or importing or
23 having imported into the United States, including within this judicial district,
24 products that include infringing technology protected by the '527 Patent, including
25 the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIG
26 Vaporizer Battery, which are especially made for infringing use, with the
27 knowledge that such use is infringing, and with the knowledge that these products
28 are part to such infringing uses and not a staple article or commodity of commerce

1 suitable for substantial non-infringing use, in violation of 35 U.S.C. § 271(c). For
2 example, the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIIG
3 Vaporizer Battery are specially made or adapted to practice the invention claimed
4 in at least claims 5-7, 11-17, 23-25, and 26-30 of the '527 Patent. The accused
5 infringing components in the Accused Products have no substantial use other than
6 practicing the invention claimed in at least claims 5-7, 11-17, 23-25, and 26-30 of
7 the '527 Patent. The accused infringing components in the Accused Products
8 constitute a material part of the claimed invention recited in at least claims 5-7, 11-
9 17, 23-25, and 26-30 of the '527 Patent and is not a staple article or commodity of
10 commerce suitable for substantial non-infringing use.

11 48. As a result of Defendants' infringement of the '527 Patent, Plaintiff
12 has suffered monetary damages and is entitled to a monetary judgement in an
13 amount adequate to compensate for Defendants' past infringement, together with
14 interests and costs.

15 49. Plaintiff's Exhibit B is for the purpose of meeting the notice
16 requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure and the
17 Plaintiff is not estopped by any infringement contention or claim construction
18 proposed by the claim charts that it provides with this Complaint.

19 **COUNT IV: INFRINGEMENT OF THE '580 PATENT**

20 50. Paragraphs 1 through 49 are incorporated by reference as if fully set
21 forth herein.

22 51. Plaintiff has not licensed or otherwise authorized Defendants to make,
23 test, use, offer for sale, sell, or import any products that embody the inventions of
24 the '580 Patent.

25 52. Defendants have had knowledge of infringement of the '580 Patent at
26 least as of their receipt of a parallel ITC Complaint dated January 29, 2024
27 involving the same asserted patents.
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1 53. As shown in Exhibit B, Defendants have infringed and continue to
2 knowingly and intentionally directly infringe the '580 Patent, including claims 1-
3 20, literally or under the doctrine of equivalents, without authority and in violation
4 of 35 U.S.C. § 271(a), by making, testing, using, offering for sale, selling and
5 having sold, and/or importing and having imported into the United States,
6 including within this judicial district, products that satisfy each and every
7 limitation of one or more claims of the '580 Patent.

8 54. Defendants have induced and continue to induce infringement of the
9 '580 Patent by actively and knowingly inducing others, including customers and
10 end-users, to directly infringe, literally or under the doctrine of equivalents, by
11 making, testing, using, offering for sale, selling or having sold in the United States,
12 and/or importing or having imported into the United States, including within this
13 judicial district, products that include infringing technology protected by the '580
14 Patent, in violation of 35 U.S.C. § 271(b). For example, Defendants have provided
15 information and instruction on using the Accused Products in an infringing manner
16 evidenced at least by the instructions and information contained in Defendants'
17 product guides and instructional materials. *See, e.g.*, Exhibit B at 15 and 19
18 (STIIIZY's user manual recites "[i]nset STIIIZY pod (Sold Separately) into the
19 battery device prior to use"). Defendants further induced infringement by others,
20 including customers and end users, with the intent to cause infringing acts by
21 others or, in the alternative, with the belief that there was a high probability that
22 others, including customers and end users, infringe the '580 Patent, but remaining
23 willfully blind to the infringement.

24 55. Defendants have contributed and continue to contribute to the
25 infringement of the '580 Patent by others, including customers and end-users, by
26 offering for sale, selling or having sold in the United States, and/or importing or
27 having imported into the United States, including within this judicial district,
28 products that include infringing technology protected by the '580 Patent, including

1 the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIIG
2 Vaporizer Battery, which are especially made for infringing use, with the
3 knowledge that such use is infringing, and with the knowledge that these products
4 are part to such infringing uses and not a staple article or commodity of commerce
5 suitable for substantial non-infringing use, in violation of 35 U.S.C. § 271(c). For
6 example, the exemplary STIIIZY (Original) Vaporizer Battery and STIIIZY BIIIG
7 Vaporizer Battery are specially made or adapted to practice the invention claimed
8 in at least claims 6, 8-10, 16, and 18-20 of the '580 Patent. The accused infringing
9 components in the Accused Products have no substantial use other than practicing
10 the invention claimed in at least claims 6, 8-10, 16, and 18-20 of the '580 Patent.
11 The accused infringing components in the Accused Products constitute a material
12 part of the claimed invention recited in at least claims 6, 8-10, 16, and 18-20 of the
13 '580 Patent and is not a staple article or commodity of commerce suitable for
14 substantial non-infringing use.

15 56. As a result of Defendants' infringement of the '580 Patent, Plaintiff
16 has suffered monetary damages and is entitled to a monetary judgement in an
17 amount adequate to compensate for Defendants' past infringement, together with
18 interests and costs.

19 57. Plaintiff's Exhibit B is for the purpose of meeting the notice
20 requirements of Rule 8(a)(2) of the Federal Rule of Civil Procedure and the
21 Plaintiff is not estopped by any infringement contention or claim construction
22 proposed by the claim charts that it provides with this Complaint, where "Accused
23 Products" are identified by way of example in those charts, and the Patents-in-Suit
24 are asserted against all products as set forth in the claim charts, where all rights are
25 reserved to accuse Defendants' other infringing products under the patent(s) that
26 cover each.

27 **DEMAND FOR JURY TRIAL**

28 58. Plaintiff demands a trial by jury of any and all causes of action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for the following relief:

- a. That Defendants be adjudged to have infringed one or more of the claims of the '756 Patent directly (literally and/or under the doctrine of equivalents) and/or indirectly;
- b. That Defendants be adjudged to have infringed one or more of the claims of the '757 Patent directly (literally and/or under the doctrine of equivalents) and/or indirectly;
- c. That Defendants be adjudged to have infringed one or more of the claims of the '527 Patent directly (literally and/or under the doctrine of equivalents) and/or indirectly;
- d. That Defendants be adjudged to have infringed one or more of the claims of the '580 Patent directly (literally and/or under the doctrine of equivalents) and/or indirectly;
- e. An accounting of all infringing sales and damages including, without limitation, those sales and damages not presented at trial;
- f. An award of all damages to which PAX Labs is entitled under 35 U.S.C. §§ 284 and/or 289 for all past and continuing infringement, including without limitation, at least reasonable royalties;
- g. An award of enhanced damages in accordance with 35 U.S.C. § 284 as a result of Defendants' knowing and willful infringement;
- h. A finding that this case is exceptional under 35 U.S.C. § 285 and an award of all of Plaintiff's attorneys' fees incurred in connection with this case;
- i. An assessment of pre-judgment and post-judgment interest and costs against Defendants and an award of such interest and costs in accordance with 35 U.S.C. § 284; and

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j. The Plaintiff be granted such other and further relief as this Court may deem just and proper.

Respectfully submitted,

Dated: January 29, 2024

CROWELL & MORING LLP

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*Attorneys for Plaintiff
PAX Labs Inc.*