UNITED STATES INTERNATIONAL TRADE COMMISSION WASHINGTON, D.C.

In The Matter Of)		
)		
CERTAIN ELECTRONIC EXERCISE)		
SYSTEMS, STATIONARY BICYCLES)	Investigation No. 337-TA-	
AND COMPONENTS THEREOF AND)		
PRODUCTS INCLUDING SAME	ĺ		

COMPLAINT OF IFIT INC. (FKA ICON HEALTH & FITNESS, INC.) UNDER SECTION 337 OF THE TARIFF ACT OF 1930, AS AMENDED

COMPLAINANT:

iFIT Inc. (FKA ICON Health & Fitness, Inc.) 1500 South 1000 West Logan, Utah 84321. Phone: (833) 680-4348

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PROPOSED RESPONDENTS:

Peloton Interactive, Inc. 158 West 27th Street New York, New York 10001.

Peloton Interactive UK Ltd. 9th Floor, 107 Cheapside London, England EC2V 6DN

Tonic Fitness Technology, Inc. No. 462-7 Zhongshan Road Xigang District Tianan City, Taiwan 72341

Rexon Industrial Corp. Ltd. No. 261 Jen Hwa Road Tali District Taichung 412, Taiwan R.O.C. Ruben J. Rodrigues Lucas I. Silva FOLEY & LARDNER LLP 111 Huntington Avenue Suite 2500 Boston, MA 02199-7610 Phone: (617) 342-4000

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3.	Importation Evidence for Accused Products
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- A. Certified Prosecution History of United States Patent No. 11,013,960
- B. Copies of References Cited in the Prosecution History of United States Patent No. 11,013,960

I. INTRODUCTION

1. iFIT Inc. (FKA ICON Health & Fitness, Inc.) ("iFIT") respectfully requests that the United States International Trade Commission institute an investigation pursuant to Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 ("Section 337"), to remedy the unlawful importation, sale for importation, sale after importation, and/or use after importation of certain exercise bicycles. These products infringe iFIT's patent rights under United States Patent No. 11,013,960 ("the '960 Patent" or the "Asserted Patent")², and in particular claims 1-5, 7-10 and 12-20 of the '960 patent, as shown in the following table.

Patent	Asserted Claims	Respondents
'960 patent	1-5, 7-10, 12-20	All

- 2. The proposed respondents are as follows.
 - (a) Peloton Respondent Group: (i) Peloton Interactive, Inc., and (ii) Peloton
 Interactive UK Ltd. and others to be identified in discovery (collectively "Peloton");
 - (b) Tonic Fitness Technology, Inc. ("Tonic").
 - (c) Rexon Industrial Corp. Ltd. ("Rexon") (collectively, "Respondents").
- 3. Peloton is responsible for the design, development, distribution, sale, and importation into the United States of exercise bicycles accused of infringing the Asserted Patent. Respondents Tonic, Rexon, and others to be identified through

¹ Allegations herein are with knowledge with respect to Complainant's own acts and on information and belief as to other matters.

²A copy of the Asserted Patent accompanies this Complaint as Exhibit 1. Complainant will replace these with certified copies of the Asserted Patents once they are received.

- discovery, are responsible for the manufacture and/or importation into the United States, sale for importation into the United States, and/or sale after importation into the United States exercise bicycles that are accused of infringing the Asserted Patent.
- 4. iFIT asks the Commission to investigate the unlawful and unfair acts of Peloton,
 Tonic, and Rexon as manufacturers and/or importers of Accused Products and
 others to be identified in discovery. iFIT asserts that the Accused Products
 (defined below) infringe at least the following claims of the Asserted Patent:
 claims 1-5, 7-10 and 12-20 ("Asserted Claims"). All Asserted Claims are asserted
 against all Respondents.
- 5. iFIT requests a permanent limited exclusion order, pursuant to Section 337(d), excluding from entry into the United States all of the Accused Products that infringe the Asserted Claims of the Asserted Patent. iFIT also seeks a permanent cease and desist order, pursuant to Section 337(f), directing the proposed respondents to cease and desist from activities that include, but are not limited to, importing, marketing, advertising, demonstrating, warehousing inventory for distribution, offering for sale, selling, distributing, or using Accused Products that infringe the Asserted Claims of the Asserted Patent. Further, iFIT requests that the Commission impose a bond during the 60-day Presidential review period pursuant to 19 U.S.C. § 1337(e)(1) and (f)(1).

II. BACKGROUND

6. iFIT began building its business in 1977 on the backbone of creativity, investment, and hard work. This led to a stable, inventive, and diversified fitness

- company built upon hundreds of industry-leading patents and some of the most well-known brands in the industry.
- 7. iFIT is the world's largest manufacturer and marketer of fitness equipment. iFIT's "iFit" product is an Internet-connected and interactive fitness platform that brings together fitness activities that take place in the home, the gym, and outside, all with a single login on a single device. The iFit product further provides maps, visualization, and workouts for those working out on iFit-enabled equipment.
- 8. Since the late 1990s, iFIT has continued to invest in generations of cutting edge exercise technology to the present day. Indeed, iFIT was the first to develop and commercialize interactive connected technology that allowed in-home, live, and on-demand instructor led classes with competition and leaderboards at least twelve years before Peloton was founded.
- 9. The specific Domestic Industry Products (defined below) at issue in this Investigation are Internet connected stationary bicycles including free weight cradles and utilizing the iFit platform. Images of examples of such products are shown here:



Pro-Form Studio Bike Pro



Pro-Form Studio Bike Pro 22



NordicTrack s15i Studio Bike



NordicTrack s22i Studio Bike

- 10. Over several years, iFIT developed the hardware and software behind the programmed workout stationary bicycles described herein, including numerous products that have been or are being developed and sold by iFIT in the United States supporting United States domestic industry.
- 11. iFIT researches and develops exercise devices that integrate different forms of exercise and allow the user to automatically alternate between different portions of a workout, and it develops content and sells products that allow individuals to participate in interactive programmed workouts using such devices. As a result of these efforts, iFIT has become a world leader in cutting edge fitness equipment, including stationary bicycles, and iFIT is a major contributor to the United States economy and jobs.
- 12. A domestic industry exists under Section 337(a)(2) and (a)(3) relating to aspects of iFIT's iFit technology protected by the Asserted Patent, including related stationary bicycle products, based on iFIT's large investments made in plant and equipment and employment of labor and capital relating to research, development, testing, and engineering, among other activities.
- 13. The unauthorized use of patented inventions by Peloton is pervasive. The Accused Products are being manufactured, imported, sold for importation, and/or sold after importation by each of the Respondents. The full extent of the infringement and sales to other customers, including which customers are involved, is not possible to ascertain without discovery which will occur in this investigation. The unlawful and unfair acts of the Respondents and other customers will continue until prevented by the Commission.

III. COMPLAINANT

14. Complainant iFIT Inc. is a corporation duly organized and existing under the laws of Delaware with its principal place of business located at 1500 South 1000 West, Logan, Utah 84321.

IV. PROPOSED RESPONDENTS

A. The Peloton Respondent Group and Related Respondents

- 15. Respondent Peloton Interactive, Inc. is an entity organized under the laws of the State of Delaware and having a regular and established place of business at 158 West 27th Street, New York, New York 10001.
- Peloton Interactive UK Ltd. is an entity organized under the laws of England and having a registered office at 9th Floor, 107 Cheapside, London, England EC2V
 6DN. Peloton Interactive UK Ltd. is a wholly owned subsidiary of Peloton Interactive, Inc.
- 17. Respondent Tonic Fitness Technology, Inc. is a Taiwanese entity having a principal place of business at No. 462-7 Zhongshan Road Xigang District, Tainan City, Taiwan 72341. Tonic Fitness Technology, Inc. is a wholly owned subsidiary of Peloton Interactive, Inc.
- 18. Tonic manufactures, imports into the United States, sells for importation into the United States, and/or sells after importation into the United States, the Accused Products. Tonic has not obtained a license or otherwise acquired rights from iFIT for use of the Asserted Patent.

- 19. Respondent Rexon Industrial Corp. Ltd. is a Taiwanese entity having a principal place of business at No. 261 Jen Hwa Road, Tali District, Taichung 412, Taiwan R.O.C.
- 20. Rexon manufactures, imports into the United States, sells for importation into the United States, and/or sells after importation into the United States, the Accused Products. Rexon has not obtained a license or otherwise acquired rights from iFIT for use of the Asserted Patent.
- 21. Respondents Peloton Interactive, Inc., Peloton Interactive UK Ltd., and Tonic Fitness Technology, Inc. are related corporate entities and act and have acted individually and in concert as a single enterprise and as agents for the purpose of the making, using, offering for sale, selling, importing into the United States, and selling after importation into the United States the Accused Products.
- 22. Peloton designs, develops, manufactures, imports into the United States, sells for importation into the United States, sells after importation into the United States, and/or uses after importation into the United States, the Accused Products.
 Peloton has not obtained a license or otherwise acquired rights from iFIT for use of the Asserted Patent.
- 23. Peloton imports Accused Products through various ports in the United States. *See*Exs. 3-5, 14-16. Peloton distributes the Accused Products throughout the United
 States and maintains systems for use and operation of the Accused Products in a
 manner that infringes claims 1-5, 7-10 and 12-20 of the Asserted Patent.

V. THE ACCUSED PRODUCTS-AT-ISSUE

24. Pursuant to 19 C.F.R. § 210.10(b)(1) and 210.12(a)(12), the category of the Accused Products may be plainly described as: exercise systems that include

- stationary bicycles including free weight cradles and provide workouts that alternate between bicycling portions and weight lifting portions. Section VII, *infra*, details specific instances of the unlawful importation, sale and/or use after importation of the Accused Products.
- 25. Exemplary Accused Products include, but are not limited to, the Peloton Bike+ model stationary bicycle and the like (the "Accused Products").
- 26. This identification of exemplary models and types of products is intended for illustration and is not intended to limit the scope of the investigation. Additional models, types of products and customers of Peloton may be identified through discovery and added as appropriate to this investigation. Any remedy should extend to all present and future infringing products regardless of model name or number or type of product.

VI. THE PATENTS-AT-ISSUE

1. U.S. Patent No. 11,013,960

27. The '960 patent entitled "Exercise System Including a Stationary Bicycle and a Free Weight Cradle" was duly and legally issued on May 25, 2021, naming inventors Scott R. Watterson and William T. Dalebout. The '960 patent issued from United States Patent Application No. 17/115, 690, filed on December 8, 2020, which is a continuation of United States Patent Application No. 16/299,668 filed on March, 12, 2019, which is a continuation of United States Patent Application No. 15,461,040 filed on March 16, 2017, which claims priority to United States Patent Application Ser. No. 62/310,503 filed on March 18, 2016. *See* Ex. 1; Appx. A. The '960 patent expires no earlier than March 15, 2037.

- 28. iFIT is the sole owner by assignment of all right, title, and interest in the '960 patent. Copies of the recorded assignment documents related to the '960 patent accompany this Complaint as Exhibit 6, and certified copies will be provided once received. A security agreement was also entered into as of May 12, 2021 identifying the patent application that led to the '960 patent. A copy of the Security Agreement, which is also included within the assignment history provided as Exhibit 6, accompanies this Complaint as Exhibit 12.
- 29. The name of the corporation ICON Health & Fitness, Inc. was also changed to iFIT, Inc. on or around August 9, 2021. A copy of the Certificate of Amendment of Certificate of Incorporation of ICON Health & Fitness, Inc. effectuating the name change accompanies this Complaint as Exhibit 13.
- 30. In non-technical terms, the '960 patent discloses and claims an exercise system that includes a stationary bicycle having pedals and a free weight cradle incorporated into the stationary bicycles, as well as a display, one or more processors and memory. The inventions include a programmed workout that when executed by the one or more processors, automatically alternates between biking portions of the programmed workout and weight lifting portions of the programmed workout, including automatically controlling a resistance level of the pedals during the biking portions of the programmed workout and automatically presenting weight lifting instructions on the display during weight lifting portions of the programmed workout.
- 31. As required by Rule 210.12(c), Appendix A to this Complaint includes a copy of the prosecution history of the '960 patent, and after filing, Complainant will

provide a certified copy of the prosecution history of the '960 patent as soon as it is received. Appendix B to this Complaint includes copies of each technical reference cited in the prosecution history of the '960 patent.

VII. UNLAWFUL AND UNFAIR ACTS - PATENT INFRINGEMENT

A. Peloton and Related Respondents

1. Representative Involved Articles

- 32. Peloton and Rexon and Tonic, as well as others to be identified through discovery, act and have acted individually and in concert as a single enterprise and as agents to design, develop, manufacture, import into the United States, sell for importation into the United States, sell after importation into the United States, and/or use after importation into the United States products that infringe, literally and/or by equivalence, claims 1-5, 7-10 and 12-20 of the '960 patent.
- Peloton, Rexon and Tonic directly infringe the '960 patent in violation of 35U.S.C. § 271(a) at least by importing the Accused Products into the United States.
- 34. Peloton is also knowingly and intentionally inducing infringement of the '960 patent in violation of 35 U.S.C. § 271(b) by actively encouraging others, including Respondents Rexon, Tonic, and others to import, sell and use Accused Products that infringe the Asserted Claims. Peloton has had knowledge of the Asserted Patents and that the Accused Products infringe the Asserted Patents at least as of the filing of this Complaint. With knowledge and intent, Peloton is encouraging and facilitating infringing use of the Accused Products by others, including users of the Accused Products in the United States. For example, Peloton markets, promotes and advertises the Accused Products and manuals, user guides and other materials that actively encourage others, including end users in

- the United States, to directly infringe the '960 patent. Peloton also commissions the creation of programmed workouts that, when used in combination with the Bike+ stationary bicycle, directly infringe the '960 patent and Peloton encourages its users in the United States to participate in such workouts by making them available through its application and promoting them on its user platforms.
- 35. Peloton is also contributing to infringement of the '960 patent in violation of 35 U.S.C. § 271(c), by selling the Accused Products with knowledge of the Asserted Patent, as the products have no substantial non-infringing use and are at least a material part of the inventions claimed in the Asserted Patent.
- 36. To the extent that any limitation of any asserted claim is construed to be performed by a user of the Accused Product, Peloton is liable for infringement because Peloton establishes the manner of performance of the infringement and Peloton conditions participation of the activity on carrying out the infringement. The user of the Peloton accused products also puts the infringing system as a whole into service and obtains the benefit of it and, therefore, directly infringes claims 1-5, 7-10 and 12-20 of the Asserted Patent. As noted above, Peloton is at least liable for such direct infringement under 35 U.S.C. § 271(b) and/or (c).
- 37. At least the following Accused Products include the Bike+ stationary bicycle and, therefore, also infringe the Asserted Claims of the '960 patent: Bike+ Basics, Bike+ Essentials, Bike+ Works, Bike+ Family. *See*https://www.onepeloton.com/shop/bike-plus (last visited January 19, 2022).
- 38. The Bike+ product is, therefore, representative of the other Peloton products or product packages listed above and imported, sold for importation, sold in the

United States after importation, and/or used in the United States after importation by Peloton and others because all such products or product packages include the functionality of the Bike+ Accused Product.

2. Infringement of the '960 Patent

- 39. Exhibit 2 includes a chart comparing claims 1-5, 7-10 and 12-20 of the '960 patent to the Peloton Bike+ product. This exhibit shows that the Accused Products are covered by claims 1-5, 7-10, and 12-20 of the '960 patent.
- 40. As shown in Exhibit 2, Peloton directly infringes claims 1-5, 7-10 and 12-20 of the '960 patent by making, using, selling, offering for sale and importing into the United States the Accused Products.
- 41. Peloton directly infringes the '960 patent in violation of 35 U.S.C. § 271(a) with the Accused Products.
- 42. To the extent that any asserted claim of the '960 patent requires operation of the Accused Products for infringement, Peloton has indirectly infringed and continues to indirectly infringe the asserted claims, literally and/or under the doctrine of equivalents, by actively inducing its users in the United States to use the Accused Products in a manner that infringes claims of the '960 patent. Peloton has had knowledge of the Asserted Patent and that the Accused Products infringe the Asserted Patent by at latest the filing of this Complaint. With knowledge and intent, Peloton is encouraging and facilitating infringing use of the Accused Products by users of the Accused Products in the United States. This includes Peloton taking active steps to encourage and facilitate others' direct infringement of the '960 patent with knowledge of that infringement. The affirmative acts include, without limitation, advertising, marketing, promoting, offering for sale

and/or selling the above-identified devices, with software that includes infringing functionality, to consumers, customers, distributors, partners, resellers, and/or end users. Peloton further provides instructions, user manuals, advertising and/or marketing materials on its website that facilitate, direct, or encourage the direct infringement in the United States of claims of the '960 patent by others with knowledge thereof. Peloton also creates content including programmed workouts that facilitate, direct, or encourage the direct infringement in the United States of the claims of the '960 patent and it promotes such workouts on its website, its applications and/or its user platform.

43. To the extent that any asserted claim of the '960 patent requires operation of the Accused Products for infringement, Peloton also has contributed to the infringement of, and continues to contribute to the infringement of the Asserted Claims in the United States literally and/or under the doctrine of equivalents, by selling, offering to sell, and/or importing within or into the United States the Accused Products that practice the Asserted Claims when put into operation. Peloton has had knowledge of the Asserted Patents and that the Accused Products infringe the Asserted Patents at least as of the filing of this Complaint. The hardware and software of the Accused Products constitutes a material part of the invention, is known by Peloton to be especially made or adapted for use in infringing the '960 patent, and is not a staple article or commodity of commerce that is suitable for substantial non-infringing use.

- 3. Specific Instances of Importation into the United States, Sale for Importation, or Sale within the United States after Importation
- 44. Peloton has engaged in importation, use, and sales and marketing related to the Accused Products. The Accused Products were manufactured by Peloton or by third parties in factories located outside of the United States. The Accused Products were imported into the United States, sold for importation into the United States, and/or sold after importation in the United States after importation in the United States by Peloton. For example, on September 18, 2020 Peloton Interactive, Inc. filed a complaint in the United States Court of International Trade where it admitted that "Peloton is an American exercise equipment and media company, and an importer and seller of, *inter alia*, exercise bikes, exercise bike accessories, and related products." *See* Ex. 3 at ¶6. The Complaint further admits that Peloton made "numerous entries of products classified under multiple HTSUS subheadings" between September 2018 and September 2020. *See id.* at ¶7.
- 45. In addition, in October of 2019 when Peloton acquired Respondent Tonic, Peloton announced in a letter to shareholders that Tonic is "one of [Peloton's] long time, Taiwan-based bike manufacturing partners." Ex. 5 at 5. Similarly, an article dated April 18, 2020 described Respondent Rexon as a "Taichung-headquartered" company that "assembles more than 90 percent of Peloton's treadmills and 25 percent of its stationary bikes." Ex. 4 at 1. The article further stated that "Rexon this year is expected to see an 800 percent year-on-year increase in shipments to Peloton of treadmills and stationary bikes to 236,000 and 830,000 units respectively." *See id.* Rexon and Tonic each are an importer, owner, and/or

- consignee of the Accused Products and have manufactured and imported (themselves or through their agents) Accused Products since the '960 patent issued on May 25, 2021.
- 46. Through its own purchase and analysis of samples of Accused Products,

 Complainants have obtained further information evidence the sale for importation,
 importation, and/or sale after importation in the United States of Accused

 Products. This evidence includes country of origin marking on the Accused

 Products themselves, importation and shipping documentation, and other publicly
 available information that show that the Accused Products are imported into the
 United States and sold in the United States after importation.
- 47. The Peloton Bike+ products are manufactured in Taiwan and China.

 Complainants are further informed and believe that Peloton maintains a commercially significant inventory of Bike+ products in the United States. As of September 30, 2021, Complainants believe that Peloton held \$1.232 billion in inventory of finished products, including \$358.3 million of inventory in transit.

 Complainants expect to establish the full extent and nature of inventory through discovery.
- 48. Prior to filing the Complaint, representative samples of the Bike+ product were purchased in the United States. A copy of an order confirmation is included as Exhibit 8.
- 49. Peloton Bike+ products sold in the United States are imported from China and Taiwan. For example, the exterior of products in the United States—such as the back side of the Peloton Console on the Bike+ product—is marked "made in

- Taiwan." *See* Exhibit 17. Other components of the Bike+ product are marked "made in China." *See* Exhibit 18.
- 50. As an example of importation, Bill of Lading No. HLCUTPE211059314 shows a consignee called Expeditors International receiving goods identified as "stationary bike exercise bike exercise equipment" marked for shipment to Peloton Interactive, Inc. *See* Ex. 14, at 2-3. Complainants are informed and believe that these good were manufactured by Tonic or Rexon as these entities manufacture the Accused Products in Taiwan. The shipment arrived from Taiwan at the port of Savannah, Georgia on December 22, 2021. *See id.* at 1.
- As another example, Bill of Lading No. EGLV003103636476 shows a shipment of goods described as "exercise bike" to Peloton Interactive, Inc. See Ex. 15 at 3-4. Complainants are informed and believe that these goods were manufactured by Tonic or Rexon as these entities manufacture the Accused Products in Taiwan.
 The shipment arrived from Taiwan at the port of Los Angeles, California on December 10, 2021. See id. at 1.
- As another example, Bill of Lading No. EGLV003101498424 shows a consignee called Flexport International LLC receiving five containers of goods described as "exercise bike" for Peloton Interactive, Inc. *See* Ex. 16 at 2-4. Complainants are informed and believe that these good were manufactured by Tonic or Rexon as these entities manufacture the Accused Products in Taiwan. The shipment arrived from Taiwan at the port of Savannah, Georgia on June 20, 2021. *See id.* at 1.

B. Tonic

1. Representative Involved Articles (Tonic)

- 53. Tonic imports into the United States, sells for importation into the United States, and/or sells after importation into the Unites States the Peloton Accused Products that infringe literally, by equivalence, directly, and/or indirectly, claims 1-5, 7-10 and 12-20 of the '960 patent.
- 54. Tonic is also inducing infringement of the '960 patent in violation of 35 U.S.C. § 271(b), because Tonic is aiding and abetting the direct infringement of Peloton and/or the joint infringement of Peloton and its users in the United States of the claims of the '960 patent through the importing and selling of Accused Products with knowledge of the Asserted Patent.

2. Infringement (Tonic)

- 55. Tonic at least acts in concert with Peloton and its customers to infringe the asserted claims of the '960 patent, including through the use of the Peloton workouts through Peloton apps and related programs. Peloton's customers use the Peloton programmed workouts by downloading the workouts and related programs from Peloton's servers to the tablet computer that is part of the Bike+ product.
- To the extent that any asserted claim of the '960 patent requires operation of the Accused Products for infringement, Tonic has induced infringement and continues to induce infringement of the asserted claims, literally and/or under the doctrine of equivalents, by collaborating with Peloton to import the Accused Products and induce users in the United States to use the Accused Products in a manner that directly infringes the claims of the '960 patent. Tonic has had

knowledge of the Asserted Patent and that the Accused Products infringe the asserted patent as least as of the filing of the Complaint. With knowledge and intent to cause infringement, Tonic is encouraging and facilitating the importation and sale in the United States of the Accused Products and encouraging the operation of the Accused Products in a manner that infringes claims 1-5, 7-10, and 12-20 of the '960 patent.

C. Rexon

1. Representative Involved Articles (Rexon)

- 57. Rexon imports into the United States, sells for importation into the United States, and/or sells after importation into the Unites States the Peloton Accused Products that infringe literally, by equivalence, directly, and/or indirectly, claims 1-5, 7-10, and 12-20 of the 960 patent.
- 58. Rexon is also inducing infringement of the '960 patent in violation of 35 U.S.C. § 271(b), because Rexon is aiding and abetting the direct infringement of Peloton and/or the joint infringement of Peloton and its users in the United States of the claims of the '960 patent through the importing and selling of Accused Products with knowledge of the Asserted Patent.

2. Infringement (Rexon)

59. Rexon at least acts in concert with Peloton and its customers to infringe the asserted claims of the '960 patent, including through the use of the Peloton workouts through Peloton apps and related programs. Peloton's customers use the Peloton programmed workouts by downloading the workouts and related programs from Peloton's servers to the tablet computer that is part of the Bike+ product.

60. To the extent that any asserted claim of the '960 patent requires operation of the Accused Products for infringement, Rexon has induced infringement and continues to induce infringement of the asserted claims, literally and/or under the doctrine of equivalents, by collaborating with Peloton to import the Accused Products and induce users in the United States to use the Accused Products in a manner that directly infringes the claims of the '960 patent. Rexon has had knowledge of the Asserted Patent and that the Accused Products infringe the asserted patent as least as of the filing of the Complaint. With knowledge and intent to cause infringement, Rexon is encouraging and facilitating the importation and sale in the United States of the Accused Products and encouraging the operation of the Accused Products in a manner that infringes claims 1-5, 7-10, and 12-20 of the '960 patent.

VIII. CLASSIFICATION OF INFRINGING PRODUCTS UNDER THE HARMONIZED TARIFF SCHEDULE

61. The Accused Products are believed to fall within at least the following classifications of the Harmonized Tariff Schedule of the United States:

9506.91.0010. These classifications are intended for illustration only and are not intended to be restrictive of the Accused Products.

IX. LICENSEES

62. Complainants have not provided licenses to the Asserted Patent.

X. IFIT SATISFIES THE DOMESTIC INDUSTRY REQUIREMENT

A. The Technical Prong of the Domestic Industry Requirement is Satisfied

1. Practice of the '960 Patent

- As shown in Exhibit 7, iFIT's s22i product is a stationary bicycle having pedals and having a free weight cradle incorporated into the bicycle. The s22i includes a display and one or more processors and memory. The s22i product displays a programmed workout that when executed by the one or more processors automatically alternates between biking portions of the programmed workout and weight lifting portions of the programmed workout, including automatically controlling a resistance level of the pedals during the biking portions of the programmed workout and automatically presenting weight lifting instructions on the display during weight lifting portions of the programmed workout. Therefore, as shown in the claim chart attached as Exhibit 7, the s22i product practices each and every limitation of at least claims 1, 19, and 20 of the '960 patent.
- or more claims of the '960 patent (collectively, the "Domestic Industry

 Products"). Each such other product is a stationary bicycle having pedals and having a free weight cradle incorporated into the bicycle. Each product also includes a display and one or more processors and memory, and each product displays a programmed workout that when executed by the one or more processors automatically alternates between biking portions of the programmed workout and weight lifting portions of the programmed workout, including automatically controlling a resistance level of the pedals during the biking portions of the programmed workout and automatically presenting weight lifting

instructions on the display during weight lifting portions of the programmed workout. The products are substantially the same and primary differ with respect to their ornamental design and the location of the free weight cradle. The following iFIT products are materially identical to the s22i product as concerns the claims of the '960 patent and practice each and every limitation of the Asserted Claims of the '960 patent: 21920, FMEX81939, NTEVEX14718, NTEVEX16720, NTEVEX16720-CH, NTEVEX18718, NTEVEX71219, NTEX02117, NTEX02117NB, NTEX02121, NTEX02121-CH, NTEX02121-INT, NTEX02422, NTEX02422-INT, NTEX02722, NTEX02722G, NTEX02722-INT, NTEX02722W, NTEX03121, NTEX03121-INT, NTEX03122, NTEX03122-INT, NTEX05117, NTEX05117NB, NTEX05119, NTEX05121, NTEX05121-INT, NTEX05122, NTEX05122-INT, NTEX70417, NTEX71017, NTEX71021, NTEX91022, NTEX91022-INT, PFEVEX77918, PFEX16718, PFEX16718C, PFEX16718-INT, PFEX67720, PFEX67720-INT, PFEX67820, and PFEX67820-INT. Photographs of these products showing certain relevant features are attached hereto as Exhibit 10.

B. IFIT's Economic Investment in the Domestic Industry

- 65. There is a domestic industry that exists, and/or is in the process of being established, in the United States as defined under 19 U.S.C. § 1337(a)(3)(A) and (B), comprising continuing significant investments made by iFIT in the United States in plant and equipment and significant employment of labor and capital with respect to articles protected by the '960 patent.
- 66. iFIT engages in a broad range of qualifying domestic industry activities in the United States directed to articles protected by the '960 patent as described above.

- Confidential Exhibit 9C contains detailed information regarding iFIT's ongoing and significant investments in the domestic industry.
- 67. In particular, iFIT made and continues to make significant investments in plant and equipment directed to the Domestic Industry Products in the United States.

 Those investments in plant and equipment are dedicated to research, development, testing, distribution, and customer support activities with respect to the Domestic Industry Products, which practice the '960 patent.
- 68. iFIT also made and continues to make significant investments in labor and capital directed to the Domestic Industry Products in the United States. Those investments in labor and capital are dedicated to research, development, testing, distribution, and customer support activities with respect to the Domestic Industry Products, which practice the '960 patent.
- 69. The Domestic Industry Products that practice the '960 patent include the NordicTrack S15i Studio Bike, NordicTrack S22i Studio Cycle, Pro-Form Studio Bike Pro, and Pro-Form Studio Bike Pro 22. The investments iFIT has made in the aforementioned NordicTrack S15i Studio Bike, NordicTrack S22i Studio Cycle, Pro-Form Studio Bike Pro, and Pro-Form Studio Bike Pro 22 and related iFIT software are detailed in Confidential Exhibit 9C.
- 70. In addition, iFIT has taken concrete steps in the form of significant investments in plant and equipment and labor and capital to establish a domestic industry in products that practice the '960 patent, and there is a significant likelihood that this industry will be established in the near future, as detailed in Confidential Exhibit 9C.

71. As to the Domestic Industry Products, the domestic investments and activities of iFIT are significant in both quantitative and qualitative terms, both as to iFIT and the domestic industry as a whole. The domestic investments and activities are important to the Domestic Industry Products and represent significant added value.

XI. RELATED LITIGATIONS

- 72. To iFIT's knowledge, the '960 patent is not the subject of any litigation in the United States and no foreign patent or patent application corresponding to the '960 patent has been denied, abandoned or withdrawn.
- 73. iFit and Peloton are involved in other patent infringement litigation in the United States not involving the '960 patent, including the following: *Peloton Interactive, Inc. v. iFIT, Inc.*, C.A. No. 20-cv-0662-RGA (D. Del.); *iFIT v. Peloton Interactive, Inc.*, C.A. No. 20-cv-1386-RGA (D. Del.); *iFIT, Inc. v. Peloton Interactive, Inc.*, C.A. No. 21-cv-0507-RGA (D. Del.); *Peloton Interactive, Inc. v. iFIT, Inc.*, C.A. No. 21-cv-1605 (D. Del.).

XII. REQUESTED RELIEF

- 74. WHEREFORE, by reason of the foregoing, Complainant requests that the United States International Trade Commission:
- (a) institute an immediate investigation, pursuant to Section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337, with respect to the proposed Respondents' violations of Section 337 based on the unlawful importation into the United States, sale for importation into the United States, sale within the United States after importation, and/or use within the United States after importation of products that infringe the claims of United States Patent No. 11,013,960 as well as the unlawful importation into the United States, sale for importation into

the United States, sale within the United States after importation, and/or use within the United

States after importation of products or product packages containing the same;

(b) schedule and conduct a hearing on the unlawful acts and, following the hearing,

determine whether there has been a violation of Section 337;

issue a permanent limited exclusion order, pursuant to Section 337(d) of the Tariff (c)

Act of 1930, as amended, excluding from entry into the United States all of the Accused

Products that infringe the claims of United States Patent No. 11,013,960;

(d) issue a permanent cease and desist order, pursuant to Section 337(f) of the Tariff

Act of 1930, as amended, prohibiting proposed respondents and related companies from at least

importing, marketing, advertising, demonstrating, warehousing inventory for distribution,

offering for sale, selling, qualifying for use in the products of others, distributing, or using

Accused Products that infringe the claims of United States Patent No. 11,013,960;

impose a bond during the 60-day Presidential review period pursuant to 19 U.S.C. (e)

§ 1337(f)(1) and (j)(1) to prevent further injury to iFIT's domestic industry relating to the

Asserted Patent; and

(f) grant such other and further relief as the Commission deems just and proper based

on the facts determined by the investigation and the authority of the Commission.

Dated: February 2, 2022

Respectfully submitted,

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Counsel for Complainant iFIT Inc. (FKA ICON Health & Fitness, Inc.)

VERIFICATION

I, Everett Smith, declare in accordance with 19 C.F.R. §§ 210.4 and 210.12(a), under penalty of perjury, that the following statements are true:

- 1. I am General Counsel for iFIT Inc., and I am duly authorized to verify this Complaint under Section 337 of the Tariff Act of 1930, as Amended ("Complaint");
 - 2. I have read the Complaint and am aware of its contents;
- 3. To the best of my knowledge, information, and belief, formed after an inquiry reasonable under the circumstances, (a) the claims and other legal contentions in the Complaint are warranted by existing law or by a non-frivolous argument for the extension, modification, or reversal of existing law or the establishment of new law, and (b) the allegations and other factual contentions in the Complaint have evidentiary support or, if specifically so identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and
- 4. The Complaint is not being presented for any improper purpose, such as to harass or to cause unnecessary delay or needles increase in the cost of the investigation or related proceeding.

I declare under penalty of perjury under the law of the United States that the foregoing is true and correct. Executed on February 2, 2022.

Everett Smith