ClearOne.

ClearOne Sues Shure For Trade Secret Misappropriation and Willful Infringement of Another ClearOne Patent

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SALT LAKE CITY, April 11, 2019 (GLOBE NEWSWIRE) -- ClearOne (NASDAQ: CLRO), a global provider of audio and visual communication solutions, announced today that it has filed a lawsuit against Shure Incorporated ("Shure") for trade secret misappropriation and willful patent infringement of a third ClearOne patent—<u>U.S. Patent No. 9,264,553</u> ("553 Patent")—in the U.S. District Court for the Northern District of Illinois. This is in addition to the case currently pending in the same federal court asserting Shure's products infringe ClearOne's U.S. Pat. No. 9,635,186 and U.S. Pat. No. 9,813,806.

In this <u>new lawsuit</u>, ClearOne alleges that Shure has sought and obtained ClearOne's valuable trade secrets, including trade secrets relating to its revolutionary Beamforming Microphone Array products, wireless microphone products, and audio DSP mixers. ClearOne alleges that Shure has used its improper access to ClearOne's highly confidential trade secrets to unfairly compete in the marketplace and harm ClearOne's sales.

ClearOne also alleges that Shure has willfully infringed ClearOne's '553 Patent by making, using, selling, and offering to sell its MXA910 and MXA310 products for use with a digital signal processor that performs acoustic echo cancellation. The '553 Patent relates to acoustic echo cancellation performed on fixed beams, and is incorporated into ClearOne's Beamforming Microphone Array products.

Shure has already tried—and failed—to invalidate the '553 Patent. Ordanuary 24, 2019, the Patent Trial and Appeal Board ("PTAB") rejected Shure's effort to challenge the validity of the '553 Patent through *inter partes* review ("IPR"), and on March 25, 2019, denied Shure's request for a rehearing. ClearOne believes that Shure will be prevented from challenging the validity of the '553 Patent during this new litigation on any basis that Shure could have raised during the IPR.

"This is yet another lawsuit we have filed against Shure—a very largeClearOne competitor—in an effort to protect our substantial investment in innovation over the years," said Zee Hakimoglu, chair and chief executive officer of ClearOne. "U.S. laws encourage innovation by awarding such investments with intellectual property rights. When others fail to respect those rights, we will take action to protect them so that we can continue delivering innovative products and superior customer experiences, as well as ensure fair competition in the marketplace. We are confident that Shure will be held responsible for its brazen actions."

The lawsuit seeks monetary damages—including treble and punitive damages—for past infringement and injunctive relief to prevent the continuing infringement of ClearOne's valuable intellectual property.

About ClearOne

ClearOne is a global company that designs, develops, and sells conferencing, collaboration, and network streaming solutions for voice and visual communications. The performance and simplicity of its advanced, comprehensive solutions offer unprecedented levels of functionality, reliability and scalability. Visit ClearOne at <u>www.clearone.com</u>.

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Contact: Investor Relations 1-801-975-7200 investor_relations@clearone.com



Source: ClearOne, Inc.