ClearOne Defeats Shure's Meritless Preliminary Injunction Motion

February 9, 2021

SALT LAKE CITY, Feb. 09, 2021 (GLOBE NEWSWIRE) -- ClearOne (NASDAQ: CLRO), a leading global provider of audio and visual communication solutions, today comments on the Order issued by the Honorable Richard G. Andrews of the U.S. District Court of Delaware adopting a Report and Recommendation denying Shure Incorporated's ("Shure's") motion for a preliminary injunction ("PI Motion") to stop the sale of ClearOne's innovative Ceiling Tile Beamforming Mic Array ("BMA CT") and Huddle-compatible Ceiling Tile Beamforming Array ("BMA CTH") products.

ClearOne launched its BMA CT product in February 2019. In November 2019, ClearOne announced its COLLABORATE® Versa Pro CT product offering, which combines the BMA CTH with the CONVERGE® Huddle audio DSP to provide superior functionality and audio quality for small- to medium-sized rooms. ClearOne began selling this product offering in December 2019. Then, in February 2020, ClearOne announced the COLLABORATE Versa Room CT and COLLABORATE Versa Lite CT product offerings, which require no external DSP.

In April 2019, Shure filed a motion for a temporary restraining order ("TRO") to stop sales of ClearOne's BMA CTH products. The Honorable Christopher J. Burke recommended denial of Shure's TRO , finding that Shure had failed to show that it would suffer irreparable harm in the absence of injunctive relief and that ClearOne had raised a "substantial question" as to the validity of the patent Shure asserts against ClearOne, D865,723 (the "'723 patent"). Despite that denial, Shure pressed forward with its PI Motion and, in September 2020, Judge Burke heard the parties' arguments and testimony from both ClearOne and Shure witnesses at a remote hearing.

On January 20, Judge Burke issued his recommendation to deny the PI Motion. He again held that ClearOne raised a "substantial question" as to the validity of the '723 patent, and additionally found that Shure did not meet its burden to prove the irreparable harm needed to obtain preliminary injunctive relief. On February 8, Judge Andrews adopted that report and recommendation and held that Shure's "motion for a preliminary injunction is DENIED."

Zee Hakimoglu, ClearOne Chair and CEO, stated:

"This is another victory for ClearOne against Shure's retaliatory litigation in Delaware. ClearOne is pleased that the Court denied Shure's PI Motion and that ClearOne's revolutionary BMA CT and BMA CTH products will remain available to customers. ClearOne will continue providing new and exciting solutions for the market, such as its new BMA 360, while ensuring that competitors like Shure are held to account when they do not respect ClearOne's intellectual property rights."

Shure's recent legal efforts in Delaware federal court are thinly veiled retaliation for ClearOne's string of litigation victories against Shure elsewhere. In August 2019, Judge Edmond E. Chang of the U.S. District Court of the Northern District of Illinois granted ClearOne's request for a preliminary injunction ("PI Order") preventing Shure from "manufacturing, marketing, and selling" the original MXA910 for use "in its drop-ceiling mounting configuration." Then, in September 2020, Judge Chang found Shure in contempt for selling its MXA910W-A, which ClearOne believes infringes its U.S. Patent No. 9,813,806 and violates the PI Order. Separately, the Federal Circuit in March 2020 confirmed the patentability of all claims of ClearOne's U.S. Patent No. 9,264,553 over Shure's appeal, and ClearOne's claim against Shure for infringement of that patent remains pending.

ClearOne remains confident that it will defeat Shure's claims in the Delaware action.

About ClearOne
ClearOne is a global market leader enabling conferencing, collaboration, and network streaming solutions. The performance and simplicity of its advanced, comprehensive solutions offer unprecedented levels of functionality, reliability, and scalability. Visit ClearOne at www.clearone.com.

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Contact:
Bob Griffin
Griffin360
+1 212 481 3456 x16
bob@griffin360.com



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