



International Trade Commission Bans Import and Sale of Roku Products

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Ruling Covers Roku Streaming Devices, Soundbars and Other Products Infringing UEI Patent

SCOTTSDALE, Ariz.--(BUSINESS WIRE)--Dec. 15, 2021-- Universal Electronics Inc. ("UEI") (NASDAQ: UEIC), the global leader in wireless universal control solutions for home entertainment and smart home devices, today announced that the United States International Trade Commission ("ITC" or the "Commission") publicly issued its favorable final determination in UEI's patent infringement case against Roku, Inc. ("Roku"), concluding several Roku products infringe a UEI patent and barring the importation and sale of those products. The orders will become final on January 9, 2022, following the expiration of a Presidential review period.

"We brought this action to protect our highly innovative intellectual property from unauthorized use by Roku, and we are gratified that the ITC recognized Roku's infringement and ordered it halted," said Richard A. Firehammer, Jr. UEI's SVP & General Counsel. "Now that the full Commission opinion is publicly available, UEI's clear and decisive victory is plain for all to see. The Commission's ban on Roku imports and sales is an important step in the process of preventing Roku from continuing its unlawful use of UEI technology. Even now, we believe that Roku continues to infringe the very patent it was found to infringe despite its attempts to 'design around' its infringement with recent software updates. These updates coincide with degraded Roku product performance, as evidenced by recent media reports and consumer outcry. We look forward to working with U.S. Customs and Border Protection to ensure the Commission's orders banning imports of infringing Roku products are appropriately enforced. UEI will continue to take all actions necessary to put an end to Roku's unlawful activities."

The ITC's opinion made clear that Roku's products infringe six different claims of UEI's U.S. Patent No. 10,593,196 and rejected Roku's plea to avoid the ITC ban. Referring to UEI's evidence as "substantial," "impressive" and "dispositive," the Commission issued a limited exclusion order precluding Roku from importing any infringing "televisions, set top boxes, remote control devices, streaming devices and sound bars."

"Importantly, the Commission made clear that Roku would need to certify to Customs, at Customs' discretion, that the products Roku wants to import are not infringing and therefore not excluded from entry. We do not believe Roku can meet this burden, and beginning January 9, 2022, any of Roku's infringing products will be subject to exclusion from importation," Mr. Firehammer said.

A copy of the ITC's Final Determination is available in its entirety [here](#). UEI also brought patent infringement cases against Roku in U.S. District Court for the District of Central California. Those cases (Case Nos.: 8:18-cv-01580 and 8-20-cv-00701) allege infringement of fourteen UEI patents across both cases and are currently stayed pending the final resolution of Roku's *Inter Partes* Review (IPR) challenges filed against UEI's patents and pending final resolution of the ITC investigation, including any appeals of the IPRs and of the ITC investigation. In the District Court cases, UEI contends that Roku began copying UEI's intellectual property without permission or payment after engaging with UEI and gaining access to details related to UEI's proprietary technology under a confidentiality agreement entered into years ago.

The world's leading consumer electronic brands and entertainment service operators license UEI's portfolio of QuickSet cloud, software and solutions technology. QuickSet Cloud is built on UEI's comprehensive device knowledge base and enables automated device discovery, setup and control of home entertainment and smart home devices and services. UEI holds more than 600 issued or pending U.S. patents.

About Universal Electronics Inc.

Founded in 1986, Universal Electronics Inc. (NASDAQ: UEIC) is the global leader in wireless universal control solutions for home entertainment and smart home devices. We design, develop, manufacture, ship and support control and sensor technology solutions and a broad line of universal control systems, audio video accessories, and intelligent wireless security and smart home products. Our products and solutions are used by the world's leading brands in the video services, consumer electronics, security, home automation, climate control and home appliance markets. For more information, visit www.uei.com.

This press release contains "forward-looking statements" within the meaning of federal securities laws, including statements regarding the ITC complaint, the litigation in the Central District of California, and the timing and outcome of those proceedings and the enforcement actions associated therewith. Such forward-looking statements are based on expectations, estimates and projections about these matters, and certain assumptions made by management and involve known and unknown risks, uncertainties and other unknown factors that could cause the actual results of the Company to be materially different from any future results expressed or implied by such forward-looking statements, including but not limited to (1) the outcome of any legal proceedings and enforcement actions in connection with the litigation matters discussed in this release; (2) the ability to capitalize on the Company's patent portfolio and generate licensing fees and revenues, generally and with respect to the patents at issue in the litigation matters discussed in this release; (3) the ability of the Company to settle the litigation matters discussed in this release on acceptable terms; (4) potential challenges to the validity of the Company's patents underlying its licensing opportunities and the litigation matters discussed in this release; and (5) the ability of the Company to achieve widespread adoption of the Company's QuickSet Technology. Any of these factors could cause actual results to differ materially from the expectations we express or imply in this press release. We make these forward-looking statements as of December 15, 2021. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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