

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

_____, Individually and on Behalf of All
Others Similarly Situated,

Plaintiff,

v.

IROBOT CORPORATION, GARY S. COHEN,
GLEN D. WEINSTEIN, KARIAN WONG, and
JULIE ZEILER,

Defendants.

Case No.

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

Plaintiff _____ (“Plaintiff”), individually and on behalf of all others similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants, alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through Plaintiff’s attorneys, which included, among other things, a review of the Defendants’ public documents, conference calls and announcements made by Defendants, United States (“U.S.”) Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and regarding iRobot Corporation (“iRobot” or the “Company”), analysts’ reports and advisories about the Company, and information readily obtainable on the Internet. Plaintiff believes that substantial, additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons and entities other than Defendants that purchased or otherwise acquired iRobot securities between

May 8, 2024 and March 11, 2025, both dates inclusive (the “Class Period”), seeking to recover damages caused by Defendants’ violations of the federal securities laws and to pursue remedies under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder, against the Company and certain of its top officials.

2. iRobot designs, builds, and sells robots and home innovation products.

3. Throughout the Class Period, Defendants made materially false and misleading statements regarding the Company’s business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (i) iRobot’s business and financial condition had not improved but rather significantly deteriorated; (ii) accordingly, there was substantial doubt about the Company’s ability to continue as a going concern; and (iii) as a result, Defendants’ public statements were materially false and misleading at all relevant times.

4. On March 12, 2025, iRobot issued a press release reporting its fourth quarter and full year 2024 financial results. For the quarter, iRobot reported a loss of \$2.06 per share on revenue of \$172 million, representing a 44% year-over-year decline. iRobot also cautioned investors that “there can be no assurance that [iRobot’s] new product launches will be successful due to potential factors, including, but not limited to consumer demand, competition, macroeconomic conditions, and tariff policies.” Accordingly, “[g]iven these uncertainties and the implication they may have on the Company’s financials, there is substantial doubt about the Company’s ability to continue as a going concern for a period of at least 12 months from the date of the issuance of its consolidated 2024 financial statements.”

5. On this news, iRobot’s stock price fell \$3.255 per share, or 51.58%, over the following two trading sessions, to close at \$3.055 per share on March 13, 2025.

6. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

7. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

8. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331 and Section 27 of the Exchange Act.

9. Venue is proper in this District pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1391(b). Pursuant to iRobot's most recent annual report on Form 10-K, as of February 28, 2025, there were 30,628,585 shares of the Company's common stock outstanding. iRobot's common stock trades on the Nasdaq Stock Market ("NASDAQ"). Accordingly, there are presumably hundreds, if not thousands, of investors in iRobot's securities located in the U.S., some of whom undoubtedly reside in this District.

10. In connection with the acts alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications, and the facilities of the national securities markets.

PARTIES

11. Plaintiff, as set forth in the attached Certification, acquired iRobot securities at artificially inflated prices during the Class Period and was damaged upon the revelation of the alleged corrective disclosures.

12. Defendant iRobot is a Delaware corporation with principal executive offices located at 8 Crosby Drive, Bedford, Massachusetts 01730. The Company's common stock trades in an efficient market on the NASDAQ under the ticker symbol "IRBT."

13. Defendant Gary S. Cohen ("Cohen") has served as iRobot's Chief Executive Officer ("CEO") at all relevant times.

14. Defendant Glen D. Weinstein ("Weinstein") served as iRobot's CEO prior to the start of the Class Period.

15. Defendant Karian Wong ("Wong") has served as iRobot's Chief Financial Officer ("CFO") since December 2, 2024.

16. Defendant Julie Zeiler ("Zeiler") served as iRobot's CFO from before the start of the Class Period to December 2, 2024.

17. Defendants Cohen, Weinstein, Wong, and Zeiler are collectively referred to herein as the "Individual Defendants."

18. The Individual Defendants possessed the power and authority to control the contents of iRobot's SEC filings, press releases, and other market communications. The Individual Defendants were provided with copies of iRobot's SEC filings and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or to cause them to be corrected. Because of their positions with iRobot, and their access to material information available to them but not to the public, the Individual Defendants knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public, and that the positive representations being made were then materially false and misleading. The Individual Defendants are liable for the false statements and omissions pleaded herein.

19. iRobot and the Individual Defendants are collectively referred to herein as “Defendants.”

SUBSTANTIVE ALLEGATIONS

Background

20. iRobot designs, builds, and sells robots and home innovation products.

Materially False and Misleading Statements Issued During the Class Period

21. The Class Period begins on May 8, 2024, the day after iRobot issued a press release during after-market hours announcing its first quarter 2024 financial results. That press release quoted Defendant Weinstein as stating, in relevant part:

We exceeded our financial expectations for the first quarter as our team executed on our restructuring plan to significantly improve iRobot’s near-term operations Our plan is designed to stabilize the business in the current market environment without sacrificing longer-term growth initiatives. In the first quarter, we took aggressive actions to simplify our cost structure, implement a more sustainable business model and focus on our core value drivers.

22. On August 6, 2024, iRobot issued a press release announcing its second quarter 2024 financial results. That press release quoted Defendant Cohen as stating, in relevant part:

We are executing iRobot Elevate, a strategy focused on five pillars of financial performance, customer-centricity, bringing innovative products to market in an entirely new and more profitable way, continuing our operational and organization improvements, and developing and retaining our best talent We are elevating everything we do at iRobot to improve our performance and generate long-term shareholder value.

[I]n the second quarter, we made significant progress, specifically in lowering the Company’s cost structure through aggressive restructuring efforts. As part of our iRobot Elevate strategy, we strengthened our balance sheet, narrowed our operating loss, decreased headcount, and substantially reduced inventory. Without a non-recurring charge related to the write-off of excess component inventory and the losses on non-cancelable purchase commitments as part of the transition to our new product development paradigm with our contract manufacturers, we would have met our Q2 improvement targets for gross margin, operating loss, and net loss per share.

* * *

[]In July, we announced our most advanced product, the Roomba Combo 10 Max robot + AutoWash Dock. It represents an important milestone in our product innovation roadmap. Our talented team is focused on bringing innovative products to market to refresh our entire product line and enable iRobot to be significantly more competitive. In 2025, we plan to launch significant technological enhancements and new products across the price points we serve.

[]Looking ahead, I am confident we can capitalize on our iconic brand with a renewed consumer-centric emphasis and a sharply focused innovation and product roadmap to advance our growth initiatives and deliver long-term shareholder value.

23. On November 6, 2024, iRobot issued a press release announcing its third quarter 2024 financial results. That press release quoted Defendant Cohen as stating, in relevant part:

We continue to make progress on our turnaround strategy In the third quarter, we expanded our non-GAAP gross margin by 590 basis points year over year and improved our use of operating cash [W]e are on track to exceed our operating expense targets for the year, while at the same time continuing to invest in areas that are expected to drive growth.

[]Our ongoing restructuring has fundamentally changed the way we innovate, develop and build our robots, which is central to improving our performance and generating long-term shareholder value. With the benefit of lower operating costs, we expect to enhance margins and improve profitability in 2025.

[]As we move forward in this new chapter in iRobot's history, one thing is abundantly clear: we have a powerful brand that will serve as the foundation for the turnaround of this Company. That brand power is at the heart of our turnaround strategy, iRobot Elevate. In executing that strategy, we are focused on providing our iconic brand with an improved platform to drive long-term profitable growth.

24. The statements referenced in ¶¶ 21-23 were materially false and misleading because Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (i) iRobot's business and financial condition had not improved but rather significantly deteriorated; (ii) accordingly, there was

substantial doubt about the Company's ability to continue as a going concern; and (iii) as a result, Defendants' public statements were materially false and misleading at all relevant times.

The Truth Emerges

25. On March 12, 2025, iRobot issued a press release reporting its fourth quarter and full year 2024 financial results. For the quarter, iRobot reported a loss of \$2.06 per share on revenue of \$172 million, representing a 44% year-over-year decline. iRobot also cautioned investors that "there can be no assurance that [iRobot's] new product launches will be successful due to potential factors, including, but not limited to consumer demand, competition, macroeconomic conditions, and tariff policies." Accordingly, "[g]iven these uncertainties and the implication they may have on the Company's financials, there is substantial doubt about the Company's ability to continue as a going concern for a period of at least 12 months from the date of the issuance of its consolidated 2024 financial statements."

26. On this news, iRobot's stock price fell \$3.255 per share, or 51.58%, over the following two trading sessions, to close at \$3.055 per share on March 13, 2025.

27. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

SCIENTER ALLEGATIONS

28. During the Class Period, Defendants had both the motive and opportunity to commit fraud. They also had actual knowledge of the misleading nature of the statements they made, or acted in reckless disregard of the true information known to them at the time. In so doing, Defendants participated in a scheme to defraud and committed acts, practices, and participated in

a course of business that operated as a fraud or deceit on purchasers of the Company's securities during the Class Period.

PLAINTIFF'S CLASS ACTION ALLEGATIONS

29. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired iRobot securities during the Class Period (the "Class"); and were damaged upon the revelation of the alleged corrective disclosures. Excluded from the Class are Defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

30. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, iRobot securities were actively traded on the NASDAQ. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by iRobot or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

31. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

32. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

33. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the federal securities laws were violated by Defendants' acts as alleged herein;
- whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of iRobot;
- whether the Individual Defendants caused iRobot to issue false and misleading financial statements during the Class Period;
- whether Defendants acted knowingly or recklessly in issuing false and misleading financial statements;
- whether the prices of iRobot securities during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

34. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

35. Plaintiff will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- Defendants made public misrepresentations or failed to disclose material facts during the Class Period;
- the omissions and misrepresentations were material;
- iRobot securities are traded in an efficient market;
- the Company's shares were liquid and traded with moderate to heavy volume during the Class Period;
- the Company traded on the NASDAQ and was covered by multiple analysts;
- the misrepresentations and omissions alleged would tend to induce a reasonable investor to misjudge the value of the Company's securities; and
- Plaintiff and members of the Class purchased, acquired and/or sold iRobot securities between the time the Defendants failed to disclose or misrepresented material facts and the time the true facts were disclosed, without knowledge of the omitted or misrepresented facts.

36. Based upon the foregoing, Plaintiff and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

37. Alternatively, Plaintiff and the members of the Class are entitled to the presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of the State of Utah v. United States*, 406 U.S. 128, 92 S. Ct. 2430 (1972), as Defendants omitted material information in their Class Period statements in violation of a duty to disclose such information, as detailed above.

COUNT I

(Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder Against All Defendants)

38. Plaintiff repeats and re-alleges each and every allegation contained above as if fully set forth herein.

39. This Count is asserted against Defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

40. During the Class Period, Defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon Plaintiff and the other members of the Class; made various untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of iRobot securities; and (iii) cause Plaintiff and other members of the Class to purchase or otherwise acquire iRobot securities and options at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each of them, took the actions set forth herein.

41. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the Defendants participated directly or indirectly in the preparation and/or issuance of the quarterly and annual reports, SEC filings, press releases and other statements and documents described above, including statements made to securities analysts and the media that were designed to influence the market for iRobot securities. Such reports, filings, releases and statements were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about iRobot's finances and business prospects.

42. By virtue of their positions at iRobot, Defendants had actual knowledge of the materially false and misleading statements and material omissions alleged herein and intended thereby to deceive Plaintiff and the other members of the Class, or, in the alternative, Defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose

such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to Defendants. Said acts and omissions of Defendants were committed willfully or with reckless disregard for the truth. In addition, each Defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

43. Information showing that Defendants acted knowingly or with reckless disregard for the truth is peculiarly within Defendants' knowledge and control. As the senior managers and/or directors of iRobot, the Individual Defendants had knowledge of the details of iRobot's internal affairs.

44. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of iRobot. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to iRobot's businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public statements, the market price of iRobot securities was artificially inflated throughout the Class Period. In ignorance of the adverse facts concerning iRobot's business and financial condition which were concealed by Defendants, Plaintiff and the other members of the Class purchased or otherwise acquired iRobot securities at artificially inflated prices and relied upon the price of the securities, the integrity of the market for the securities and/or upon statements disseminated by Defendants, and were damaged thereby.

45. During the Class Period, iRobot securities were traded on an active and efficient market. Plaintiff and the other members of the Class, relying on the materially false and misleading

statements described herein, which the Defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased or otherwise acquired shares of iRobot securities at prices artificially inflated by Defendants' wrongful conduct. Had Plaintiff and the other members of the Class known the truth, they would not have purchased or otherwise acquired said securities, or would not have purchased or otherwise acquired them at the inflated prices that were paid. At the time of the purchases and/or acquisitions by Plaintiff and the Class, the true value of iRobot securities was substantially lower than the prices paid by Plaintiff and the other members of the Class. The market price of iRobot securities declined sharply upon public disclosure of the facts alleged herein to the injury of Plaintiff and Class members.

46. By reason of the conduct alleged herein, Defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

47. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases, acquisitions and sales of the Company's securities during the Class Period, upon the disclosure that the Company had been disseminating misrepresented financial statements to the investing public.

COUNT II

(Violations of Section 20(a) of the Exchange Act Against the Individual Defendants)

48. Plaintiff repeats and re-alleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

49. During the Class Period, the Individual Defendants participated in the operation and management of iRobot, and conducted and participated, directly and indirectly, in the conduct

of iRobot's business affairs. Because of their senior positions, they knew the adverse non-public information about iRobot's misstatement of income and expenses and false financial statements.

50. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to iRobot's financial condition and results of operations, and to correct promptly any public statements issued by iRobot which had become materially false or misleading.

51. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which iRobot disseminated in the marketplace during the Class Period concerning iRobot's results of operations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause iRobot to engage in the wrongful acts complained of herein. The Individual Defendants, therefore, were "controlling persons" of iRobot within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of iRobot securities.

52. Each of the Individual Defendants, therefore, acted as a controlling person of iRobot. By reason of their senior management positions and/or being directors of iRobot, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause, iRobot to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of iRobot and possessed the power to control the specific activities which comprise the primary violations about which Plaintiff and the other members of the Class complain.

53. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by iRobot.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representative;
- B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;
- C. Awarding Plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and
- D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.

Dated: _____, 2025