

United States District Court
For the Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

No. C- 09-05647 MHP

SYBASE, INC.,
Plaintiff,

vs.

VERTICA SYSTEMS, INC.,
Defendant.

**STATEMENT OF
REASONS RE
ORDER OF
TRANSFER**

The court has reviewed the papers filed in support of and in opposition to this motion, the patents in issue, Nos. 5,794,228 ("the '228") and 5,794,229 ("the '229"), the claim construction order in the action pending in the Eastern District of Texas and the record in that case, Civil Action No. 6:08-cv-24 LED. The court finds that the motion to transfer is suitable for decision on the papers without oral argument and summarizes the reasons for the granting of defendant's motion below. The arguments in opposition to the motion deserve no more.

1. An action was filed by plaintiff Sybase against defendant Vertica in the United States District Court for the Eastern District of Texas on January 20, 2008. The same parties to this action are the only parties in the Texas action.
2. The Texas action involves claims of patent infringement of the '229 patent which plaintiff

1 itself has described in that action as the sister patent of the '228.¹ (Case No. 6:08-cv-00024-LED,
2 Mem.& Order, Doc. 150 at 3, Nov. 30, 2009). The patent applications were filed on the same day
3 and the patents were issued on the same day.

4 3. The Texas action has progressed through claim construction and motions for summary
5 judgment of invalidity for indefiniteness.

6 4. The District Court for the Eastern District of Texas issued its claim construction order and
7 order denying in part and granting in part the motion for indefiniteness on November 9, 2009,
8 invalidating several claims of the '229 patent.

9 5. On November 30, 2009, that Court issued its order denying plaintiff Sybase's motion to
10 amend its complaint and infringement contentions to add claims under the '228 patent.

11 6. The very next day, December 1, 2009, plaintiff Sybase filed this action asserting the
12 claims of the '228 patent against the same defendant in the Texas action, Vertica.

13 7. Plaintiff's arguments about its choice of forum and the convenience of the parties are
14 disingenuous. When it states in its memorandum that "[n]either of the parties to this lawsuit are
15 residents of the Eastern District of Texas", the court can only query, "Was this not the same situation
16 when you filed in the Eastern District of Texas in 2008 and fought defendant's attempts to transfer
17 the action to the District of Massachusetts where defendant is resident, where many of its witnesses
18 reside, and where the inventors themselves resided when the patent applications were filed?" It is
19 not clear where they now live, but according to the papers they do not live in California, and are
20 willing to appear in Texas.

21 8. It is not clear why plaintiff Sybase filed the action on the '229 in the Eastern District of
22 Texas, but it chose Texas, not its "home" forum. Since then the Judge in the Eastern District of
23 Texas has become very familiar with the related patent, the '229, and this case is merely round two
24 in that litigation. The fact that he declined to allow amendment of the existing complaint, which

25 ¹ The Court stated that, "Sybase simply contends that the impact
26 of the amendment will be slight because the '228 Patent is the
27 'sister' patent to the '229 Patent, the existing patent-in-suit, and
28 the patents share the same inventors, specification, and filing date."

1 would introduce another patent two years later and after claim construction, does not mean that the
2 patents are not related. Plaintiff can file a new action in that District and seek to have the cases
3 related even though they may proceed on a different track.

4 9. Plaintiff's filing of this action smacks of forum shopping and a response to an unfavorable
5 decision suffered in the Eastern District.

6 10. A review of the '228 and '229 patents reveals their similarity. Reviewing the '228 in
7 light of the claim construction order reveals that ten of the twenty terms were the subject of the
8 claim construction proceeding and the rest of the terms are sprinkled liberally throughout the patent
9 specifications of the '229. Plaintiff's arguments before the Eastern District on the motion to amend
10 are borne out by the records before both that Court and this court.

11 11. This court finds in view of the foregoing, the record herein and the record before the
12 Eastern District of Texas that not only would the adjudication of the '228 patent here be a
13 duplication of effort and not serve the purposes of judicial economy;; it would also result in a
14 substantial risk of inconsistency.

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16 For the foregoing reasons, this court GRANTS the motion to transfer.

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18 Date: April 22, 2010



MARILYN HALL PATEL
United States District Judge

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ENDNOTES