

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

GOPRO, INC.,
Plaintiff,
v.
360HEROS, INC.,
Defendant.

Case No. [16-cv-01944-SI](#)
**ORDER DENYING DEFENDANT'S
MOTION FOR LEAVE TO AMEND
INFRINGEMENT CONTENTIONS**
Re: Dkt. No. 42

Before the Court is defendant 360Heros, Inc.'s ("360Heros") motion for leave to amend its infringement contentions. Dkt No. 42. Pursuant to Civil Local Rule 7-1(b), the Court determines that this matter is appropriate for resolution without oral argument and VACATES the hearing scheduled for April 14, 2017. For the reasons set forth below, the Court DENIES defendant's motion.

BACKGROUND

Plaintiff GoPro, Inc. ("GoPro") filed this action on April 13, 2016. In its complaint, GoPro accuses 360Heros of infringing its "HERO" and "ABYSS" trademarks, infringing copyrighted images, and engaging in unfair competition. *See* Compl. (Dkt. No. 1). GoPro's complaint also seeks a declaratory judgment of non-infringement of U.S. Patent No. 9,152,019 (the "'019 patent"). *Id.* ¶¶ 73-76. 360Heros, owner of the '019 patent, filed a counterclaim against GoPro for patent infringement. Countercl. (Dkt. No. 25).

On October 21, 2016, 360Heros served its initial asserted claims and infringement contentions, accusing GoPro's Odyssey and Abyss devices of literal infringement of the

1 '019 patent. *See* Lowe Decl., Ex. 202 (Dkt. No. 42-1) at 23-42.¹ 360Heros now seeks the Court's
2 leave to amend its infringement contentions to accuse GoPro's Omni device. Mot. (Dkt. No. 42).

3
4 **LEGAL STANDARD**

5 Patent Local Rule 3-6 provides,

6 Amendment of the Infringement Contentions or the Invalidity
7 Contentions may be made only by order of the Court upon a timely
8 showing of good cause. Non-exhaustive examples of circumstances
9 that may, absent undue prejudice to the non-moving party, support a
10 finding of good cause include:

11 (a) A claim construction by the Court different from that
12 proposed by the party seeking amendment;

13 (b) Recent discovery of material, prior art despite earlier diligent
14 search; and

15 (c) Recent discovery of nonpublic information about the Accused
16 Instrumentality which was not discovered, despite diligent efforts,
17 before the service of the Infringement Contentions.

18 N.D. Cal. Patent L.R. 3-6.

19 "The local patent rules in the Northern District of California . . . requir[e] both the plaintiff
20 and the defendant in patent cases to provide early notice of their infringement and invalidity
21 contentions, and to proceed with diligence in amending those contentions when new information
22 comes to light in the course of discovery. The rules thus seek to balance the right to develop new
23 information in discovery with the need for certainty as to the legal theories." *O2 Micro Int'l Ltd.*
24 *v. Monolithic Power Sys., Inc.*, 467 F.3d 1355, 1365–66 (Fed. Cir. 2006). In contrast to the more
25 liberal policy for amending pleadings, "the philosophy behind amending claim charts is decidedly
26 conservative, and designed to prevent the 'shifting sands' approach to claim construction." *LG*
27 *Elecs. Inc. v. Q-Lity Computer Inc.*, 211 F.R.D. 360, 367 (N.D. Cal. 2002) (citation omitted).

28 The moving party bears the burden of establishing diligence. *O2 Micro*, 467 F.3d at 1355.
Where the moving party is unable to show diligence, there is "no need to consider the question of
prejudice," although a court in its discretion may elect to do so. *See id.* at 1368 (affirming district

¹ Unless otherwise indicated, pinpoint citations are to ECF-generated page numbers.

1 court’s denial of leave to amend upon finding the moving party was not diligent, without
2 considering the question of prejudice to the non-moving party).

3 “If the court finds that the moving party has acted with diligence, it must then determine
4 whether the nonmoving party would suffer prejudice if the motion to amend were granted.” *Apple*
5 *Inc. v. Samsung Elecs. Co. Ltd*, No. 12-cv-0630-LHK (PSG), 2013 WL 3246094, at *1 (N.D. Cal.
6 June 26, 2013) (internal quotation marks omitted). “Prejudice is typically found when amending
7 contentions stand[s] to disrupt the case schedule or other court orders.” *Karl Storz Endoscopy-*
8 *Am. v. Stryker Corp.*, No. 14-0876-RS (JSC), 2016 U.S. Dist. LEXIS 176876, at *8 (N.D. Cal.
9 Dec. 21, 2016). “Courts have allowed amendments when the movant made an honest mistake, the
10 request to amend did not appear to be motivated by gamesmanship, or where there was still ample
11 time left in discovery.” *Id.* (citation and internal quotation marks omitted).

12
13 **DISCUSSION**

14 In order to demonstrate good cause for its proposed amendments, 360Heros bears the
15 burden to establish diligence. The diligence required is twofold: “(1) diligence in discovering the
16 basis for amendment; and (2) diligence in seeking amendment once the basis for amendment has
17 been discovered.” *Monolithic Power Sys., Inc. v. Silergy Corp.*, No. 14-1745-VC (KAW), 2015
18 WL 5440674, at *2 (N.D. Cal. Sept. 15, 2015).

19 360Heros argues that it was diligent in discovering the basis for amendment and in seeking
20 leave to amend. 360Heros’ CEO, Michael Kintner, states that despite multiple attempts, he was
21 unable to closely examine GoPro’s Omni device until January 2017. Kintner Decl. (Dkt. No. 42-
22 2) ¶¶ 2, 4-6. Kintner viewed the Omni up close and took numerous photographs on January 5,
23 2017 at the Consumer Electronics Show (“CES”) in Las Vegas. *Id.* ¶¶ 2-3. Between January 5
24 and mid-February, 360Heros used these photographs to build an infringement case against the
25 Omni. *Id.* On February 14, 2017, 360Heros served a supplemental interrogatory response
26 identifying the Omni as an accused product. *Id.* ¶ 3; Lowe Decl., Ex. 203 (Dkt. No. 42-1) at 47-
27 49. Nearly one month later, on March 10, 2017, 360Heros filed this motion.

28 GoPro argues that 360Heros was not diligent in investigating the Omni, which GoPro

1 claims was publicly available for purchase in August 2016, months before CES. A GoPro Senior
2 Product Manager, Jonathan Thorn, states that the Omni was available for sale to the general public
3 on the GoPro website on August 17, 2016. Thorn Decl. (Dkt. No. 48-15) ¶ 7. GoPro further
4 argues that 360Heros only sought leave to amend its contentions after GoPro asked the Court to
5 strike the contentions in a discovery letter. *See* Dkt. No. 39.

6 360Heros was not diligent in seeking leave to amend its contentions. First, the Omni was
7 available for purchase on GoPro’s website in August 2016, before 360Heros filed its infringement
8 counterclaim. The Court is not convinced that the Omni’s \$5,000 price tag genuinely deterred
9 360Heros from acquiring one and investigating its infringement claims. *See* Reply (Dkt. No. 50)
10 at 2. 360Heros identified the Omni as an infringing product in its counterclaim on August 22,
11 2016. Countercl. ¶ 15. 360Heros had ample time before serving its initial contentions to purchase
12 an Omni device, investigate it, and draft appropriate contentions. That 360Heros could find no
13 way of investigating an Omni between August 2016 and January 2017 strains credulity.

14 Second, even assuming that 360Heros did not have the opportunity to make its
15 infringement case against the Omni until January 5, 2017, it fails to adequately explain why it took
16 from January 5, 2017 until March 10, 2017 – over two months – to file a motion for leave to
17 amend. After serving its supplemental interrogatory on GoPro in February, 360Heros took almost
18 a month to seek the Court’s leave. The Court again notes that 360Heros specifically named the
19 Omni in its infringement counterclaim. If anything, this means that once 360Heros had whatever
20 information it needed to accuse the Omni, 360Heros should have quickly prepared its updated
21 contentions and sought leave to amend. Instead, it took over two months to file this motion,
22 leaving no opportunity for a ruling from the Court prior to the parties’ initial *Markman* briefing.²

23 Because 360Heros has not shown diligence, there is “no need to consider the question of
24 prejudice.” *O2 Micro*, 467 F.3d at 1368. Accordingly, 360Heros’ motion for leave to amend its
25 infringement contentions is DENIED.

26 _____
27 ² 360Heros’ attempt to blame the delay on the parties’ discovery disagreements is not
28 persuasive. 360Heros had sufficient information to serve its amended contentions on GoPro in
mid-February, contentions it based on Mr. Kintner’s photographs from CES; the alleged discovery
delays had no impact on its ability to seek leave of this Court to make the same amendments.

CONCLUSION

For the foregoing reasons, defendant's motion is DENIED.

This order resolves Dkt. No. 42.

IT IS SO ORDERED.

Dated: April 6, 2017



SUSAN ILLSTON
United States District Judge

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28