

United States District Court  
For the Northern District of California

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E-filed: 2/18/2009

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

FORTINET, INC.,  
Plaintiff,  
v.  
TREND MICRO INC.,  
Defendant.

No. C-08-05371 MMC  
ORDER NOT RELATING CASES  
**[Re Docket No. 12]**

TREND MICRO INC.,  
Plaintiff,  
v.  
FORTINET, INC.,  
Defendant.

No. C-04-01785 RMW  
**[Re Docket No. 56]**

Pursuant to Civil Local Rule 3-12(c), the court in C-08-05371 entered a *sua sponte* judicial referral to determine whether that action is related to C-04-01785.

The prior case involved allegations by Trend Micro that Fortinet infringed U.S. Patent No. 5,623,600. *See* Docket No. 1 (May 5, 2004). The case proceeded to claim construction with the filing of the parties' joint claim construction statement but got no further. The parties continued the hearing on claim construction and eventually stipulated to dismiss the case. Docket No. 53 (Feb. 13,

ORDER NOT RELATING CASES  
C-08-05371 MMC & C-04-01785 RMW  
TSF

1 2006). The stipulation of dismissal is very terse, and it contains no language about the court  
2 retaining jurisdiction to enforce a settlement agreement. *See id.*

3 The peace does not appear to have lasted. In the 08-05371 case, Fortinet seeks a declaratory  
4 judgment that it does not owe royalties to Trend Micro because of the '600 patent's invalidity and/or  
5 unenforceability. Docket No. 11 ¶¶ 46-50 (Feb. 3, 2009). Fortinet seeks similar declaratory relief as  
6 to a second patent, U.S. Patent No. 5,889,943, which was not involved in the prior litigation. *Id.* ¶¶  
7 51-55. Fortinet further alleges a monopolization claim against Trend Micro based on its  
8 procurement of the '600 patent and accuses Trend Micro of unfair competition. *See id.* ¶¶ 56-83.

9 Civil Local Rule 3-12(a) defines a "related case" as one that concerns "substantially the same  
10 parties, property, transaction or event" and "[i]t appears likely that there will be an unduly  
11 burdensome duplication of labor and expense or conflicting results if the cases are conducted before  
12 different Judges." Though the second action adds a patent, the court is satisfied that the bulk of the  
13 second action turns on the '600 patent, which was also the subject of the first action. The first prong  
14 of Rule 3-12(a) is met.

15 But the second prong is not. There is no risk of conflicting results because nothing happened  
16 in the first action. *See* Docket No. 11 ¶ 27 ("The Prior Fortinet Northern District Action was stayed  
17 during the [ITC] Investigation."). Nor will there be a burdensome duplication of labor, as the court  
18 did not even hold a claim construction hearing before the parties settled the first action. *Compare*  
19 *with Hynix Semiconductor, Inc. v. Rambus Inc.*, 2008 WL 3916304 (N.D. Cal. Aug. 24, 2008)  
20 (denying motion to relate).

21 For the foregoing reasons, the court has determined that the two cases are not related under  
22 the local rules and that no reassignments shall occur.

23  
24 DATED: 2/18/2009



RONALD M. WHYTE  
United States District Judge

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15 **Dated:** 2/18/2009

16 TSF  
**Chambers of Judge Whyte**