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4 UNITED STATES DISTRICT COURT  
5 NORTHERN DISTRICT OF CALIFORNIA  
6 SAN JOSE DIVISION

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8 APPLE INC.,  
9 Plaintiff,  
10 v.  
11 ZIPIT WIRELESS, INC.,  
12 Defendant.

Case No. [5:20-cv-04448-EJD](#)

**ORDER GRANTING MOTION TO  
DISMISS**

Re: Dkt. No. 21

13 Before the Court is Defendant Zipit Wireless, Inc.'s ("Zipit") motion to dismiss Apple  
14 Inc.'s ("Apple") complaint for declaratory judgment of non-infringement for lack of personal  
15 jurisdiction pursuant to Federal Rule of Civil Procedure 12(b)(2). *See* Def.'s Mot. to Dismiss, Dkt.  
16 No. 21 ("Motion"). The Court took the matter under submission for decision without oral  
17 argument pursuant to Civil Local Rule 7-1(b). For the reasons below, the Court GRANTS Zipit's  
18 motion to dismiss.

19 **I. Background**

20 Apple is a California corporation with its principal place of business in Cupertino,  
21 California.<sup>1</sup> Complaint ("Compl.") ¶ 8, Dkt. No. 1. Zipit is a Delaware corporation with its  
22 principal place of business in Greenville, South Carolina, and has "no physical presence,  
23 employees, or records of any kind in California." *Id.* ¶ 9; Declaration of Frank Greer ("Greer  
24 Decl."), Dkt. No. 21-1, Ex. 1 ¶ 10. Apple brings this action seeking a declaratory judgment of non-  
25 infringement of two patents, U.S. Patent Nos. 7,292,870 ("the '870 patent") and 7,894,837 ("the

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27 <sup>1</sup> This statement and all those contained within the "Background" section summarize allegations  
made by one or more of the parties.

1 '837 patent”) (collectively, the “Zipit Patents”). Compl. ¶ 1. The action arises from a longstanding  
2 dispute between Apple and Zipit involving allegations that Apple has infringed the Zipit Patents.  
3 *Id.* ¶ 4. From approximately 2013 to 2016, the parties engaged in extensive out-of-court  
4 negotiations to settle the status of the Zipit Patents. *Id.*; Pl.’s Resp. to Motion, Dkt. No. 24, p. 3.  
5 The negotiations included an “exchange of many rounds of correspondence,” Zipit sending  
6 infringement notice letters and claim charts to Apple, and two in-person meetings between Zipit  
7 and Apple representatives at Apple’s California offices. *Id.* Ultimately, the negotiations failed to  
8 reach a resolution as to whether or not Apple was indeed infringing on the Zipit Patents. Compl. ¶  
9 5.

10 In June of 2020, Zipit filed suit against Apple in the Northern District of Georgia,  
11 accusing Apple of infringing upon the Zipit Patents. Compl. ¶ 2; *see also Zipit Wireless, Inc., v.*  
12 *Apple Inc.*, Civil Action No. 1:20-cv-02488-ELR (N.D. Ga.). However, Zipit voluntarily  
13 dismissed its litigation against Apple without prejudice two weeks after filing the action. Compl. ¶  
14 3. Apple now asserts that Zipit’s past conduct has produced a justiciable immediate controversy  
15 with Zipit and has initiated the present suit seeking a judicial declaration that it has not infringed  
16 upon the Zipit Patents. *Id.* ¶¶ 6–7.

17 Zipit filed the present motion, seeking to dismiss Apple’s complaint arguing that this Court  
18 lacks personal jurisdiction over Zipit. Motion, p.1. Apple filed an opposition to the motion, to  
19 which Zipit then replied. Pl.’s Resp. to Motion, Dkt. No. 24; Def.’s Reply, Dkt. No. 29.

20 **II. Legal Standard**

21 Federal Rule of Civil Procedure 12(b)(2) allows a party to file a motion to dismiss when  
22 there is a lack of personal jurisdiction. Fed. R. Civ. P. 12(b)(2). Federal Circuit law governs a  
23 district court’s inquiry into whether it may properly exercise personal jurisdiction over an out-of-  
24 state defendant in a patent case. *See Nuance Commc’ns., Inc. v. Abby Software House*, 626 F.3d  
25 1222, 1230 (Fed. Cir. 2010); *see also Hildebrand v. Steck Manufacturing Co., Inc.*, 279 F.3d 1351,  
26 1354 (Fed. Cir. 2002) (Federal Circuit law governs personal jurisdiction inquiries in declaratory  
27 judgment actions where the defendant is patentee). Where the parties have not conducted

1 discovery, a plaintiff need only make a prima facie showing that the defendants are subject to  
2 personal jurisdiction. *See Silent Drive, Inc., v. Strong Indus., Inc.*, 326 F.3d 1194, 1201 (Fed. Cir.  
3 2003). The district court must construe all pleadings and affidavits in the light most favorable to  
4 the plaintiff and resolve any factual conflicts in the affidavits in the plaintiff’s favor. *See Elecs.*  
5 *For Imaging, Inc. v. Coyle*, 340 F.3d 1344, 1349 (Fed. Cir. 2003).

6 When making a determination as to whether a district court may exert jurisdiction over an  
7 out-of-state defendant, a court may make “two inquiries: whether a forum state’s long-arm statute  
8 permits service of process and whether assertion of personal jurisdiction violates due process.”  
9 *Xilinx, Inc. v. Papst Licensing GmbH & Co. KG*, 848 F.3d 1346, 1352 (Fed. Cir. 2017) (quoting  
10 *Autogenomics, Inc. v. Oxford Gene Tech. Ltd.*, 566 F.3d 1012, 1017 (Fed. Cir. 2009)).  
11 “California’s long-arm statute permits service of process to the full extent allowed by the due  
12 process clauses of the United States Constitution.” *Xilinx*, 848 F.3d at 1353 (citing *Elecs. For*  
13 *Imaging*, F.3d at 1349; Cal. Civ. Proc. Code § 410.10). As such, “the two inquiries collapse into a  
14 single inquiry: whether jurisdiction comports with due process.” *Xilinx*, 848 F.3d at 1353 (quoting  
15 *Inamed Corp. v. Kuzmak*, 249 F.3d 1356, 1360 (Fed. Cir. 2001)).

16 The exercise of jurisdiction over non-resident defendants violates due process unless those  
17 defendants have “minimum contacts” with the forum state such that the exercise of jurisdiction  
18 “does not offend traditional notions of fair play and substantial justice.” *Int’l Shoe Co. v.*  
19 *Washington*, 326 U.S. 310, 316, 66 S.Ct. 154, 90 L.Ed. 95 (1945). “[I]t is essential in each case  
20 that there be some act by which the defendant purposefully avails itself of the privilege of  
21 conducting activities within the forum State, thus invoking the benefits and protections of its  
22 laws.” *Hanson v. Denckla*, 357 U.S. 235, 253, 78 S.Ct. 1228, 2 L.Ed.2d 1283 (1958).

23 **III. Discussion**

24 Zipit moves for dismissal of Apple’s complaint arguing that it would be unreasonable for  
25 this Court to exercise specific personal jurisdiction over Zipit in this district.<sup>2</sup> Motion, p. 4–5.

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27 <sup>2</sup> Apple does not contend that Zipit is subject to general jurisdiction in this forum. Accordingly,  
28 the Court only considers whether the Court has specific jurisdiction over Zipit.

1 Apple asserts that the Motion should not be granted, because Zipit’s correspondence with Apple  
2 and its in-person meetings at Apple’s offices in Cupertino are sufficient for this Court to establish  
3 specific personal jurisdiction over Zipit. Pl.’s Resp. to Motion, Dkt. No. 24, p. 2. When analyzing  
4 specific personal jurisdiction, the courts follow a “three-factor test: (1) whether the defendant  
5 purposefully directed its activities at residents of the forum; (2) whether the claim arises out of or  
6 relates to the defendant’s activities with the forum; and (3) whether assertion of personal  
7 jurisdiction is reasonable and fair.” *Xilinx*, 848 F.3d at 1353 (quoting *Inamed*, 249 F.3d at 1360).  
8 “The first two factors correspond with the ‘minimum contacts’ prong of the . . . analysis and the  
9 third factor corresponds with the ‘fair play and substantial justice’ prong of the analysis”. *Id.*

10 **A. Whether Zipit Purposefully Directed Its Activities at Residents of the Forum, and**  
11 **Whether the Claim Arises Out of or Relates to Those Activities**

12 The first two factors require the Court to determine whether the defendant purposefully  
13 directed its activities at residents of the forum, and whether the claim arises out of or relates to  
14 those activities. *See Xilinx*, 848 F.3d at 1353. With respect to the first factor, “it is essential in each  
15 case that there be some act by which the defendant purposefully avails itself of the privilege of  
16 conducting activities within the forum State, thus invoking the benefits and protections of its  
17 laws.” *Id.* (quoting *Hanson v. Denckla*, 357 U.S. 235, 253 (1958)). As to the second factor, “the  
18 court must determine whether ‘the suit aris[es] out of or relate[s] to the defendant’s contacts with  
19 the forum.’” *Id.* (quoting *Goodyear Dunlop Tires Operations, S.A. v. Brown*, 564 U.S. 915, 923–  
20 24 (2011)). The plaintiff has the burden of establishing these two factors. *See Elecs. for Imaging*,  
21 340 F.3d at 1350.

22 Furthermore, when the plaintiff is bringing a declaratory judgment for non-infringement,  
23 the claim “arises out of or relates to the activities of the defendant patentee in enforcing the patent  
24 or patents in suit.” *Avocent Huntsville Corp. v. Aten Int’l Co.*, 552 F.3d 1324, 1332 (Fed. Cir.  
25 2008). “The relevant inquiry for specific personal jurisdiction then becomes to what extent has the  
26 defendant patentee ‘purposefully directed [such enforcement activities] at residents of the forum,’  
27 and the extent to which the declaratory judgment claim ‘arises out of or relates to those

1 activities.” *Id.* (quoting *Breckenridge Pharm., Inc. v. Metabolite Labs*, 444 F.3d 1356, 1363 (Fed.  
2 Cir. 2006)). “A declaratory judgment claim arises out of the patentee’s contacts with the forum  
3 state only if those contacts ‘relate in some material way to the enforcement or the defense of the  
4 patent.’” *Maxchief Invs. Ltd. v. Wok & Pan, Ind., Inc.*, 909 F.3d 1134, 1138 (Fed. Cir. 2018)  
5 (quoting *Avocent*, 552 F.3d at 1336).

6 The Federal Circuit “has acknowledged that the defendant purposefully directs his  
7 activities at residents of the forum when the defendant sends a cease-and-desist letter to a potential  
8 plaintiff in that particular forum. And a subsequent declaratory judgment action by that potential  
9 plaintiff ‘arises out of or relates to’ the defendant’s activity — namely, the cease-and-desist letter.”  
10 *New World Int’l., Inc. v. Ford Glob. Techs., LLC*, 859 F.3d 1032, 1037 (Fed. Cir. 2017) (quoting  
11 *Inamed*, 249 F.3d at 1360). In *Xilinx*, the court found that the defendant “purposefully directed its  
12 activities to California when it sent multiple notice letters to [the plaintiff] and traveled there to  
13 discuss [the plaintiff’s] alleged patent infringement and potential licensing arrangements.” *Xilinx*,  
14 848 F.3d at 1354. Here, Zipit has engaged in very similar conduct as the defendant in *Xilinx*  
15 including sending multiple letters and claim charts accusing Apple of patent infringement and also  
16 traveling to Apple’s offices in California to discuss these accusations. *See id.* By doing so, Zipit  
17 has directed its activities to California and met the minimum contacts prong. Moreover, because  
18 Apple’s declaratory judgment claim directly stems from these enforcement efforts, Apple’s claim  
19 also arises out of Zipit’s contacts with California. Since Zipit has the “required minimum contacts  
20 with California to make the exercise of personal jurisdiction presumptively reasonable,” Zipit  
21 must now make a “compelling case” that jurisdiction is unreasonable. *Id.* at 1356.

22 **B. Whether Personal Jurisdiction is Reasonable and Fair**

23 The reasonableness inquiry “is not limited to the specific facts giving rise to, or relating to,  
24 the particular litigation.” *Xilinx*, 848 F.3d at 1355. For the reasonableness inquiry, the burden is on  
25 the defendant, who must “present a compelling case that the presence of some other considerations  
26 would render jurisdiction unreasonable under the five-factor test articulated by the Supreme Court  
27 in *Burger King [Corporation v. Rudewicz]*, 471 U.S. 462, 475–77 (1985).” *Breckenridge*, 444 F.3d

1 1356, 1363 (Fed. Cir. 2006). The five factors outlined in *Burger King* include: “(1) the burden on  
2 the defendant; (2) the forum State’s interest in adjudicating the dispute; (3) the plaintiff’s interest  
3 in obtaining convenient and effective relief; (4) the interstate judicial system’s interest in obtaining  
4 the most efficient resolution of controversies; and (5) the shared interest of the several States in  
5 furthering fundamental substantive social policies.” *Avocent*, 552 F.3d at 1331 (citing *Burger*  
6 *King*, 471 U.S. at 475–77).

7 First, Zipit argues that it would be burdened by litigating in California because all fourteen  
8 of its employees are based in South Carolina and because it “conducts no business in California  
9 and has never availed itself of any California court.” Def.’s Reply, p.1. Undoubtedly, adjudication  
10 in California will create some burden for Zipit because of the distance between California and  
11 South Carolina. At the same time, because “territorial presence frequently will enhance a potential  
12 defendant’s affiliation with a State and reinforce the reasonable foreseeability of suit there,”  
13 Zipit’s previous in-person meetings with Apple in California weigh against Zipit’s burden in  
14 litigating there. *Xilinx*, 848 F.3d at 1357 (quoting *Burger King*, 471 U.S. at 477) (internal  
15 quotations omitted).

16 Apple further argues against Zipit’s burden, claiming that Zipit’s recent litigation efforts,  
17 in various other district courts outside of California, demonstrates that Zipit would not suffer an  
18 undue burden to litigate in California. *See* Pl.’s Resp. to Motion, Dkt. No. 24, p. 11. In *Avocent*,  
19 the Federal Circuit considered whether it was reasonable that a defendant’s litigations “in other  
20 fora subject it to specific personal jurisdiction in [the subject forum].” *Avocent*, 552 F.3d at 1339.  
21 The Federal Circuit answered this question in the negative, stating that it was “aware of no  
22 precedent that holds that the filing of a suit in a particular state subjects that party to specific  
23 personal jurisdiction everywhere else.” *Id.* Similarly, this Court declines to consider Zipit’s  
24 litigations in other fora in answering the question of whether specific personal jurisdiction is  
25 established in California.

26 In terms of the remaining factors considered under the reasonableness inquiry, it is  
27 established that “California has a substantial interest in protecting its residents from unwarranted

1 claims of patent infringement.” *Xilinx*, 848 F.3d at 1356 (quoting *Elecs. for Imaging*, 340 F.3d at  
 2 1352). Apple, “which is headquartered in California, indisputably has an interest in protecting  
 3 itself from patent infringement by obtaining relief ‘from a nearby federal court’ in its home  
 4 forum.” *Xilinx*, 848 F.3d at 1356 (quoting *Breckenridge*, 444 F.3d at 1367–68). Moreover, the  
 5 judicial system’s interest in an efficient resolution would be satisfied by jurisdiction in California,  
 6 where at least one of the parties is located. *See id.* Finally, neither Apple nor Zipit have asserted  
 7 any “potential clash of substantive social policies between competing fora.” *Levita Magnetics Int’l*  
 8 *Corp. v. Attractive Surgical, LLC*, No. 19-CV-04605-JSW, 2020 WL 4580504, at \*6 (N.D. Cal.  
 9 Apr. 1, 2020) (quoting *Synthes (U.S.A.) v. G.M. Dos Reis Jr. Ind. Com de Equip. Medico*, 563  
 10 F.3d 1285, 1300 (Fed. Cir. 2009)); *see also Xilinx*, 848 F.3d at 1356 (quoting *Elecs. for Imaging*,  
 11 340 F.3d at 1352) (explaining that “the same body of federal patent law would govern the patent  
 12 invalidity claim irrespective of the forum”). Ultimately, because the majority of reasonableness  
 13 factors weigh in favor of adjudicating in California or, at the least, do not weigh significantly in  
 14 favor of either party, Apple and California’s interests are not clearly outweighed by Zipit’s. As  
 15 such, jurisdiction over Zipit in California would not be unreasonable. Nonetheless, the Court’s  
 16 inquiry cannot end here.

17 The Federal Circuit has held that “the exercise of personal jurisdiction . . . would be  
 18 unconstitutional when ‘[a]ll of the contacts were for the purpose of warning against infringement  
 19 or negotiating license agreements, and [the defendant] lacked a binding obligation in the forum.’”  
 20 *Levita*, 2020 WL 4580504, at \*6 (quoting *Breckenridge*, 444 F.3d at 1364). Further, “[t]he Federal  
 21 Circuit’s command is clear—without at least some contractual relationship to the forum, an out-  
 22 of-state defendant in a patent infringement dispute cannot be subject to adjudication there.” *Id.*  
 23 From the facts in the record, all of Zipit’s contacts in California, including its in-person meetings,  
 24 “were for the purpose of warning against infringement” and Apple has failed to demonstrate that  
 25 Zipit has any “contractual relationship” or any other “binding obligation in the forum.” *Levita*,  
 26 2020 WL 4580504, at \*6 (quoting *Breckenridge*, 444 F.3d at 1364). Because of Zipit’s lack of  
 27 binding obligations tying it to California and because Zipit’s contacts with California all related to

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the attempted resolution of the status of the Zipit Patents, the Court finds that specific personal jurisdiction over Zipit would be unreasonable. Accordingly, the Court lacks jurisdiction over Zipit.

**IV. Conclusion**

In light of the foregoing, the Court GRANTS Zipit’s motion to dismiss for lack of personal jurisdiction and DISMISSES Apple’s action against Zipit.

**IT IS SO ORDERED.**

Dated: February 12, 2021

  
EDWARD J. DAVILA  
United States District Judge