UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No.: 10-23580-Civ-UU

MOTOROLA MOBILITY, INC.,

Plaintiff,

v.

APPLE INC.,

Defendant.
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ORDER ON MOTION TO TRANSFER VENUE

THIS CAUSE is before the Court upon Defendant and Counterclaim Plaintiff's Motion to Transfer Venue. (D.E. 37.)

THE COURT has considered the Motion and the pertinent portions of the record and is otherwise fully advised in the premises.

I. BACKGROUND

This action arises out of a patent dispute between Plaintiff and Counterclaim Defendant Motorola Mobility, Inc. ("Motorola") and Defendant and Counterclaim Plaintiff Apple Inc. ("Apple"). Motorola is a corporation organized and existing under the laws of Delaware, with its principal place of business in Illinois. (D.E. 1, Complaint, ¶ 2.) Apple is a corporation organized and existing under the laws of California, with its principal place of business in California. (*Id.* ¶ 3.) Motorola asserts six patent infringement claims against Apple, U.S. Patent Nos. 5,710,987, 5,765,119, 5,958,006, 6,008,737, 6,101, 531, and 6,377,161. (*See* D.E. 1.) Apple asserts six patent infringement counterclaims against Motorola, U.S. Patent Nos. 5,583,560, 5,594, 509, 5,621,456, 7,380,116, and 7,657,849, and seeks declaratory relief on the

six patent infringement claims asserted by Motorola. (*See* D.E. 17, Answer and Counterclaims.)

This action is one of multiple actions related to Motorola and Apple's patents that the parties have filed in various districts and tribunals, including two actions in the U.S. International Trade Commission ("the ITC"), one action filed by Motorola against Apple in the United States District Court for the District of Delaware, and two actions filed by Apple against Motorola in the United States District Court for the Western District of Wisconsin.

On October 29, 2010, Apple filed two patent infringement actions in the Western District of Wisconsin, 3:10-cv-00661-BBC ("the First Wisconsin Action") and 3:10-cv-00662-BBC ("the Second Wisconsin Action"). (*See* D.E. 38-5 & 38-6.) On November 9, 2010, Motorola voluntarily dismissed two complaints it had filed in the Northern District of Illinois, its home forum, and asserted the infringement of the patents from the dismissed complaints as counterclaims against Apple in the Wisconsin actions. (*See* D.E. 38-10 & 38-11.) In the First Wisconsin Action, Apple has brought three patent infringement claims, and Motorola has brought six infringement counterclaims. The Wisconsin court stayed the First Wisconsin Action pending the resolution of a concurrent ITC investigation. In the Second Wisconsin Action, Apple has asserted fifteen patent infringement claims against Motorola. Twelve of the fifteen claims are for the same patents that are the subject of Motorola's declaratory judgment action in the Delaware district court. Motorola has brought six infringement counterclaims against Apple in the Second Wisconsin Action. On December 2, 2010, Motorola moved to dismiss, or in the alternative, to transfer to Delaware the Apple claims in the Second Wisconsin Action that are for the twelve patents in Motorola's Delaware declaratory judgment action. (*See* D.E. 66-1.) On March 8, 2011, the Wisconsin district court denied Motorola's motion. (*Id*. at 13.)

In the instant motion, Apple requests that the Court transfer this action to the Western District of Wisconsin pursuant to 28 U.S.C. § 1404(a).

II. DISCUSSION

Subsection 1404(a) of Title 28, Untied States Code provides that "[f]or the convenience of the parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought." 28 U.S.C. § 1404(a). Congress authorized courts to transfer venue in order to avoid unnecessary inconvenience to the parties, witnesses, or the public, and to conserve time, energy, and money. *See Van Dusen v. Barrack*, 376 U.S. 612, 616 (1964). "The decision to transfer a case to another district is left to the sound discretion of the trial court." *Brown v. Conn. Gen. Life Ins. Co.*, 934 F.2d 1193, 1197 (11th Cir. 1991). This analysis requires an "individualized, case-by-case consideration of convenience and fairness." *Van Dusen*, 376 U.S. at 622.

The question of whether to transfer venue is a two-pronged inquiry. First, the alternative venue must be one in which the action could originally have been brought by the plaintiff. *See Jewelmasters, Inc. v. May Dep't Stores Co.*, 840 F. Supp. 893, 894 (S.D. Fla. 1993). An action could originally have been brought in a proposed transferee court if: (1) the court had jurisdiction over the subject matter of the action; (2) venue is proper there; and (3) the defendant is amenable to process issued out of the transferee court. *Windmere Corp. v. Remington Prod., Inc*., 617 F.Supp. 8, 10 (S.D. Fla. 1985). Here, the parties are actively litigating patent infringement claims against each other in Wisconsin district court. However, Motorola has not agreed to be sued in this case in Wisconsin, and the parties have not supplied the Court with facts from which the undersigned could conclude that Motorola possesses the requisite contacts that

would allow it to be served under Wisconsin's long arm statute or the due process clause absent Motorola's agreement.

Assuming, however, that the Wisconsin district court is an appropriate transferee forum, the second prong requires courts to balance private and public factors to determine if transfer is justified. *Cellularvision Tech. & Telecomms., L.P. v. Alltell Corp*., 508 F.Supp. 2d 1186, 1193 (S.D. Fla. 2007). Courts consider the following public and private factors in adjudicating transfer motions:

> (1) the convenience of the witnesses; (2) the location of relevant documents and the relative ease of access to sources of proof; (3) the convenience of the parties; (4) the locus of operative facts; (5) the availability of process to compel the attendance of unwilling witnesses; (6) the relative means of the parties; (7) a forum's familiarity with the governing law; (8) the weight accorded a plaintiff's choice of forum; and (9) trial efficiency and the interests of justice, based on the totality of the circumstances.

Manuel v. Convergys Corp., 430 F.3d 1132, 1135 n.1 (11th Cir. 2005).

A. Judicial Efficiency

Apple argues that the patents in this action are similar to those in the two Wisconsin actions such that judicial efficiency and the interest of justice favor transfer of the action to the Western District of Wisconsin. Motorola contends that the patents are sufficiently distinct, thus transfer would lead to no gains in efficiency.

"To permit a situation in which two cases involving precisely the same issues are simultaneously pending in different District Courts leads to the wastefulness of time, energy and money that § 1404(a) was designed to prevent." *Cont'l Grain Co. v. Barge FBL-585*, 364 U.S. 19, 26 (1960). Both parties acknowledge that the patents in this action are different from the patents in the two Wisconsin actions. Thus, Apple bears the burden of convincing this Court that the

twelve patents implicated in its twelve respective counterclaims are similar enough to those in the Wisconsin action to militate in favor of transfer. *See Mason v. SmithKline Beecham Clinical Labs*, 146 F.Supp. 2d, 1359 (S.D. Fla. 2001) (noting that the burden is on the moving party to demonstrate that there should be a change in forum).

First, the Court notes that Apple asserts as counterclaims the infringement of three patents relating to set-top boxes.[1] Apple explains that the set-top box patents have overlapping technology with the Wisconsin patents regarding "operating systems and user interface elements." (D.E. 48 at 7.) However, a vast number of consumer electronic devices have operating systems or something akin to operating systems whereby users interface with products; there is nothing unique about a device that includes such technology. Accordingly, Apple bears the burden of explaining to the Court exactly *how* the operating system and user interface elements involved in the set-top box patents are similar to those in the Wisconsin patents. Because Apple fails to provide such explanation, this Court is unable to agree that set-top box patents are similar to the patents at issue in the Wisconsin actions.

Next, with respect to the patents in Apple's nine remaining counterclaims,[2] Apple

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[1]The set-top box patents are the following: (1) Patent No. 5,583,560 ("the '560 Patent"), titled, "Method and Apparatus for Audio-Visual Interface for the Subjective Display of Listing Information on a Display"; (2) Patent No. 5,594,509 ("the '509 Patent"), titled, "Method and Apparatus for Audio-Visual Interface for the Display of Multiple Levels of Information on a Display"; and (3) Patent No. 5,621,456 ("the '456 Patent"), titled "Methods and Apparatus for Audio-Visual Interface for the Display of Multiple Program Categories." (D.E. 17 ¶¶155–156; 161–162; 167– 168.)

[2](1) Patent No. 5,710,987, titled "Receiver Having Concealed External Antenna"; (2) Patent No. 5,754,119, titled "Multiple Pager Status Synchronization System and Method"; (3) Patent No. 5,958,006, titled "Method and Apparatus for Communicating Summarized Data"; (4) Patent No. 6,008, 737, titled "Apparatus for Controlling Utilization of Software Added to a Portable Communication Device"; (5) Patent No. 6,101, 531, titled "System for Communicating

contends that the Wisconsin patents concern related technologies and implicate the same products – Apple's iPhone, iPad, and iPod, and Motorola mobile devices that run the Android operating system – thus transfer of the action to Wisconsin would ensure judicial efficiency. The Court agrees with Apple that there seems to be some overlap in technology and infringing products. However, the Court is unconvinced that consolidation of these patents in the Wisconsin district court would translate into increased judicial efficiency. The Court finds more convincing Motorola's contention that the overlap is too general to lead to gains in efficiency upon transfer to Wisconsin. Transferring this action to the Western District of Wisconsin would force that court to contend with an unworkably large number of patents that involve technologies that have some similarities but which also have significant dissimilarities. Therefore, it is more likely than not that if transfer were ordered, the Wisconsin court would have to expend extraordinary resources learning about the additional patents and the relevant technologies, adjudicating additional pretrial discovery motions, and conducting additional *Markman* hearings, all of which likely would significantly delay trial -- rather than expedite it.

B. Plaintiff's Choice of Forum

Motorola argues that the Court should respect its choice of forum because it has a substantial connection to this district, while Apple argues that Motorola's choice of forum should not be a significant consideration. The Eleventh Circuit has held that a court should not disturb

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User-Selected Criteria Filter Prepared at Wireless Client to Communication Server for Filtering Data Transferred from Host to Said Wireless Client"; (6) Patent No. 6,377,161, titled "Method and Apparatus in a Wireless Messaging System for Facilitating an Exchange of Address Information"; (7) Patent No. 6,282,646, titled, "System for Real-Time Adaptation to Changes in Display Configuration"; (8) Patent No. 7,380,116, titled, "System for Real-time Adaptation to Changes in Display Configuration"; and (9) Patent No. 7,657,849, titled, "Unlocking a Device by Performing Gestures on an Unlock Image."

a plaintiff's choice of forum. *Robinson v. Giarmarco & Bill, P.C.*, 74 F. 3d 253, 260 (11th Cir. 1996). However, where a plaintiff has chosen a forum that is not its home forum, a court may accord it only minimum deference. *Cellularvision Tech.*, 508 F.Supp. 2d at 1189 (citing *Piper Aircraft Co.v. Reyno*, 454 U.S. 235, 255–56 (1981)). Moreover, unless the plaintiff can establish an apparent connection to the chosen forum, the choice of forum is entitled to less consideration." *Windmere Corp,* 617 F.Supp. at 10.

Here, although the Southern District of Florida is not Motorola's home forum, Motorola has an apparent connection to it. Motorola has a large facility in Plantation, Florida that handles the management, sales and technical support of its iDEN phone. The iDEN is one of the products Apple lists as infringing its patents. Apple contends that Motorola's connection to this forum is weak because the iDEN phone is one of several allegedly infringing products sold by Motorola and because the Plantation location is one of several places of business that Motorola has across the country. While Apple's contention may be true, Apple fails to demonstrate *any* connection that either party has to the Western District of Wisconsin, other than a litigation presence. A weak connection presumably is better than no connection at all. Accordingly, although the Court accords Motorola's choice of forum minimal deference, the undersigned accords it more deference than Apple's choice.

C. Convenience Factors

1. Witnesses

Motorola argues that the patents at issue in three of its claims name Florida residents as inventors, and thus, the Court should allow this action to proceed in the Southern District of Florida. Apple argues that most of both parties' witnesses are closer to the Western District of

Wisconsin than the Southern District of Florida. The location of witnesses, particularly non-party witnesses, is an important factor that courts consider when deciding whether to transfer an action. *Cellularvision Tech.*, 508 F.Supp. 2d at 1190. It is, however, rare that the convenience of witnesses is the single determinative factor on a transfer motion; courts usually weigh the convenience of witnesses against the other relevant factors that are typically considered on a transfer motion. *Zoetics, Inc.v. Yahoo!, Inc.*, 2006 WL 1876912, at * 6 (D. Del. July 6, 2006).

Here, Apple correctly points out that it is irrelevant that three Motorola inventors are in Florida, because the inventors can only be reached through Motorola's counsel. (*See* D.E. 38-17.) The Court notes, however, that Apple lists in its Initial Disclosures fifteen potential witnesses with last known addresses in Florida. (*See* D.E. 82-1.) Moreover, Apple merely makes general allegations that most of the parties' witnesses are located closer to Wisconsin than Florida, without providing sufficient information to permit this Court to determine what and how important the witnesses' testimony will be. "It is [insufficient] merely to state the number of witnesses who will be inconvenienced or to list their names and addresses...[the] party must show the nature, substance, or materiality of the testimony to be offered by the prospective witnesses or must state generally what is expected to be proved by such witnesses." *Myers v. Pan Am. World Airways, Inc*., 388 F.Supp. 1024, 1025 (D.P.R.) (citing *Jones Knitting Corp.v. A.M. Pullen & Co.*, 50 F.R.D. 311 (S.D.N.Y 1970). Accordingly, although Apple asserts that a bulk of the parties' witnesses are located closer to Wisconsin than Florida, it has failed to persuade the Court that this factor weighs heavily in favor of transfer.

2. Parties

Motorola argues that it is more convenient for it to litigate this action in Florida than

Wisconsin. Apple contends that Wisconsin is more convenient for both parties. A defendant moving for transfer must show both that the original forum is inconvenient for it and that the plaintiff would not be substantially inconvenienced by transfer. *Mullins v. Equifax Info. Servs., LLC*, 2006 WL 1214024, at * 6 (E.D. Va. Apr. 28, 2006) (citing 15 Wright, Miller & Cooper, *Federal Practice and Procedure: Venue* § 3849 (2d ed. 2005)).

Here, Apple argues that Wisconsin is a convenient forum for Motorola because Motorola voluntarily dismissed two sets of claims in its home forum of Illinois and brought them as counterclaims in the Wisconsin actions. However, Motorola's decision to bring its Illinois claims as counterclaims in Wisconsin does not necessarily indicate that it found Wisconsin to be a more convenient forum than Florida. The only conclusion one can reasonably draw from Motorola's decision is that Wisconsin was a *less inconvenient forum* than Illinois for *those particular claims*. Even assuming *arguendo* that Apple demonstrated that Wisconsin is a convenient forum for Motorola, Apple still fails to demonstrate that Florida is inconvenient for it. Although Apple repeatedly states that it would be most convenient for it if all the actions were consolidated in Wisconsin, these statements do not relieve Apple of the burden of providing reasons for why Florida is *inconvenient*. In sum, Apple fails to convince the Court that the convenience of the parties warrants transfer.

D. The First-to-File Rule

Motorola argues that it filed the instant action almost a month before Apple filed its actions in the Western District of Wisconsin, and thus, the first-to-file rule favors denying transfer. Apple argues that there are exceptions to the first-to-file rule which apply here. Motorola and Apple also disagree about which case law a district court must look to in applying

the first-to-file rule. Motorola contends that the court must look to the case law of its circuit, whereas Apple argues that the court must look to the case law of the Federal Circuit.

There is little practical difference between the law of the Eleventh Circuit and the law of the Federal Circuit. Both circuits have set out a presumption in favor of the forum of the first-filed action, however, both circuits have also set out exceptions to this rule. *See Manuel v. Convergys Corp.*, 430 F.3d 1132 (11th Cir. 2005); *Micron Tech., Inc. v. Mosaid Techs., Inc.*, 518 F.3d 897, 904 (Fed. Cir. 2008). The Eleventh Circuit requires that a party moving for transfer demonstrate "compelling circumstances" to warrant an exception. *Manuel*, 430 F.3d at 1135. Compelling circumstances include a showing that the plaintiff engaged in forum shopping or that the plaintiff filed the first action in apparent anticipation of the other pending proceeding. *Id*. at 1136. Apple hints that Motorola may have forum shopped but its allegations are speculative at best. Moreover, Apple does not allege that Motorola filed this action in anticipation of the two Wisconsin actions. Accordingly, Apple does not demonstrate compelling circumstances to warrant an exception to the Eleventh Circuit's first-to-file rule.

The Federal Circuit requires that the party demonstrate that the exception is in the interest of justice or expediency. *Micron Tech., Inc*., 518 F.3d at 904. District courts consider factors such as the convenience of the parties and witnesses, consolidation with related litigation, docket congestion, and speed to trial. *Id.* at 905. As already noted, Apple fails to demonstrate that the convenience of the parties and witnesses favors transfer, nor does it demonstrate that transfer will reduce docket congestion and the time to trial. Apple also fails to show that if transferred to the Western District of Wisconsin, this action would be consolidated with the two actions that are already there. Even if Apple made such a showing, the possibility of consolidation is alone not a

factor justifying an exception to the Federal Circuit's first-to-file rule. *See Id.* at 905–906.

After weighing all the relevant factors, the Court concludes that Apple fails to demonstrate that this action belongs in the Western District of Wisconsin . Accordingly, it is hereby

ORDERED AND ADJUDGED that Apple's Motion to Transfer (D.E. 37) is DENIED WITHOUT PREJUDICE.

DONE AND ORDERED in Chambers at Miami, Florida this 23d day of May, 2011.

U.S. DISTRICT JUDGE
URSULA UNGARO