

# EXHIBIT F

Slip Copy, 2011 WL 2192820 (N.D.Cal.)  
 (Cite as: 2011 WL 2192820 (N.D.Cal.))



Only the Westlaw citation is currently available.

United States District Court,  
 N.D. California.  
 EIT HOLDINGS LLC, a Delaware company, Plain-  
 tiff,  
 v.  
 YELP!, INC., a Delaware corporation, et al., Defen-  
 dants.

No. C 10-05623 WHA.  
 May 12, 2011.

[Mark W. Good](#), [P.J. Benedict O'Mahoney](#), Terra Law Llop, San Jose, CA, [Alisa Anne Lipski](#), [Corby R. Vowell](#), [Edward W. Goldstein](#), [Jody M. Goldstein](#), Goldstein & Vowell LLP, Houston, TX, for Plaintiff.

[Daralyn J. Durie](#), [Jesse Geraci](#), [Ryan Marshall Kent](#), Durie Tangri LLP, San Francisco, CA, for Defen-  
 dants.

**ORDER DISMISSING ALL DEFENDANTS EX-  
 CEPT YELP!, INC. FOR MISJOINDER UNDER  
[FRCP 21](#)**

[WILLIAM ALSUP](#), District Judge.

\*1 Plaintiff EIT Holdings LLC named nine defen-  
 dants in this patent-infringement action, accusing  
 each defendant of infringing the same two patent  
 claims. Following the voluntary dismissal of Memory  
 Lane, Inc., eight defendants remain. They are unre-  
 lated companies that operate unrelated websites. Sig-  
 nificantly, they are not alleged to have acted in con-  
 cert to infringe plaintiff's asserted patent. They share  
 no common transaction or occurrence.

As set forth in [FRCP 20\(a\)\(2\)](#), multiple defen-  
 dants may be joined together in one action if "(A)  
 any right to relief is asserted against them jointly,  
 severally, or in the alternative with respect to or aris-  
 ing out of the same transaction, occurrence, or series  
 of transactions or occurrences; and (B) any question  
 of law or fact common to all defendants will arise in  
 the action." In situations of misjoinder and nonjoin-  
 der of parties, [FRCP 21](#) provides that "[o]n motion or  
 on its own, the court may at any time, on just terms,

add or drop a party."

"The Ninth Circuit has interpreted the phrase  
 'same transaction, occurrence, or series of transac-  
 tions or occurrences' to require a degree of factual  
 commonality underlying the claims." [Bravado Int'l  
 Group Merchandising Servs. v. Cha](#), 2010 WL  
 2650432, at \*4 (C.D.Cal. June 30, 2010) (citing  
[Coughlin v. Rogers](#), 130 F.3d 1348, 1350 (9th  
 Cir.1997)). Typically, this means that a party "must  
 assert rights ... that arise from *related activities*—a  
 transaction or an occurrence or a series thereof." *Ibid.*  
 Plaintiff argues that the issuance of its asserted patent  
 could qualify as a common transaction, but this ar-  
 gument is not supported by any binding authority  
 (Dkt. No. 84 at 3).

As stated, plaintiff has not alleged that the named  
 defendants in this action have engaged in related ac-  
 tivities or have otherwise acted in concert. As such,  
 proof of infringement necessarily would require  
 proof of facts specific to each individual defendant  
 and to each accused website. The mere fact that the  
 nine defendants all operate websites that allow tar-  
 geted advertising does nothing to obviate the bone-  
 crushing burden of individualized methods of proof  
 unique to each website. Similarly, the fact that seven  
 of the defendants "are represented by the same coun-  
 sel, who filed a single Answer and Counterclaims for  
 all seven" is not availing (*id.* at 2). Factual differ-  
 ences among the accused websites will require sepa-  
 rate discovery, evidence, and proof regardless  
 whether the same or different lawyers are involved.  
 Plaintiff has not proposed—and defendants have not  
 consented to—a common method of proof. Again,  
 there is no conspiracy claim. There is no claim that  
 any defendant induced another to infringe. Each de-  
 fendant has simply been thrown into a mass pit with  
 others to suit plaintiff's convenience.

In this connection, the accused defendants—who  
 will surely have competing interests and strategies—  
 also are entitled to present individualized assaults on  
 questions of non-infringement, invalidity, and claim  
 construction. *Cf.* [Nasalok Coating Corp. v. Nylok  
 Corp.](#), 522 F.3d 1320, 1326 (Fed.Cir.2008) ("[W]e  
 have explicitly held that a determination of patent  
 infringement in an infringement suit, or even an ex-

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PLICIT determination of patent validity, does not preclude the assertion of an invalidity defense in a second action involving different products.”); [Texas Instruments, Inc. v. Linear Techs. Corp.](#), 182 F.Supp.2d 580, 586 (E.D.Tex.2002) (recognizing that “defendants in a later proceeding involving previously construed patents should have the opportunity to brief and argue the issue of claim construction, notwithstanding any policy in favor of judicial uniformity”).

\*2 Plaintiff cannot escape the fact that it is suing unrelated defendants for their own independent acts of patent infringement. In such situations, numerous courts have found that joinder is improper. *See, e.g., Philips Elecs. N. Am. Corp. v. Contec Corp.*, 220 F.R.D. 415, 417 (D.Del.2004) (“Allegations of infringement against two unrelated parties based on different acts do not arise from the same transaction.”); [Androphy v. Smith & Nephew, Inc.](#), 31 F.Supp.2d 620, 623 (N.D.Ill.1998) (holding that the joinder of three manufacturers in a patent infringement suit was improper because the claims did not arise from a common transaction or occurrence when the manufacturers were separate companies that independently designed, manufactured, and sold different products); [New Jersey Mach. Inc. v. Alford Indus., Inc.](#), 1991 WL 340196, at \*2 (D.N.J. Oct.7, 1991) (holding in a patent infringement suit that “claims of infringement against unrelated defendants, involving different machines, should be tried separately against each defendant”).

The infringement issues will vary from defendant to defendant because, as explained at the case management conference, their websites implement different functionalities, through different software, that works in different ways. Additionally, the damages issues, wilfulness issues, time frames, accused conduct, and discovery issues will obviously vary from company to company. Finally, while a common defense such as inequitable conduct may arise, [FRCP 20\(a\)\(2\)\(A\)](#) does not encompass defenses asserted against a plaintiff. Only a “right to relief” asserted by the plaintiff can satisfy the requirements for joining defendants under [FRCP 20\(a\)\(2\)\(A\)](#).

It is true that plaintiff asserts the same two patent claims against all defendants. At most, this means that some claim construction issues will overlap. While it would be nice to have an identical set of

elaborations on the asserted claims for each accused infringer, even that may not be practical, for the differences in the websites themselves will provoke differences in which words and slants in the claim language really matter. These differences will lead one defendant to focus entirely upon the meaning of certain words or phrases in a claim and another defendant to focus entirely on different words or phrases even though they are in the same claim. In other words, the claim-construction work likely will not be the same for all defendants, even though they are facing trial on the same two patent claims. The claim-construction work must be adapted to the actual issues being litigated over the varying accused acts. In short, whatever common issues may exist from website to website will be overwhelmed by the individual issues of claim construction, damages, wilfulness, and discovery supervision.

Given the disparity in defendants, websites, and other disparate issues discussed herein like damages, wilfulness, and discovery supervision, it is worth adding that the allegations against each defendant would *not* be related under our civil local rules even if brought here as separate actions. *See* Civil L.R. 3–12(a)(2). If, however, the actions are re-filed in this district, the undersigned judge would be willing to coordinate certain claim construction issues (and those issues only) if the parties so stipulate, the assigned judge(s) consent, and the parties make a showing that the same phrases in the same claims require interpretation.

\*3 For the foregoing reasons, pursuant to a finding of misjoinder under [FRCP 21](#), all remaining defendants except Yelp!, Inc. are **DISMISSED**. This dismissal is without prejudice to the claims being re-filed as separate actions against the different defendants. Judgment will be entered accordingly.

#### IT IS SO ORDERED.

N.D.Cal., 2011.  
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