

Exhibit P

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15 UNITED STATES DISTRICT COURT
 16 CENTRAL DISTRICT OF CALIFORNIA
 17 SOUTHERN DIVISION

18 SYMANTEC CORPORATION and
 XTREAMLOK, PTY,

19 Plaintiffs,
 20 v.

21 UNILOC USA, INC., UNILOC
 (SINGAPORE) PRIVATE LIMITED
 22 and UNILOC CORPORATION PTY
 LIMITED,
 23 Defendants.

CASE NO. SACV10-01483 DOC (MLGx)

**REPLY IN SUPPORT OF
 SYMANTEC AND XTREAMLOK'S
 MOTION TO ENJOIN UNILOC
 FROM PROCEEDING WITH
 DUPLICATIVE ACTION AS
 AGAINST SYMANTEC, AND TO
 REQUIRE UNILOC TO DISMISS
 SYMANTEC AS A DEFENDANT
 FROM THAT ACTION**

**Hearing Date: December 20, 2010
 Time: 8:30 AM
 Place: Courtroom 9D
 Judge: Hon. David O. Carter**

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 27 AND RELATED COUNTERCLAIMS
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SYMANTEC / XTREAMLOK REPLY

None of Uniloc’s arguments in opposition to Symantec and XstreamLok’s motion has merit. Accordingly, the Court should enjoin Uniloc from prosecuting the Texas action as against Symantec and require Uniloc to dismiss Symantec from that action.

I. UNILOC AGREED TO DISMISS SYMANTEC FROM THE TEXAS ACTION

Although Uniloc has repeatedly recognized and agreed that its dispute with Symantec belongs in this Court, it now disputes the applicability, or the existence, of such agreements. Perhaps its most remarkable claim is that it did not agree to dismiss Symantec from the Texas action. (Dkt. No. 21 (“Opp.”) at 6; Dkt No. 21-1 (“Bostock Decl.”) ¶ 11.) The email correspondence between the parties’ counsel demonstrates otherwise:

- Symantec’s lead counsel wrote to Uniloc’s lead counsel with the following question: “do you have a final answer for us as to whether Uniloc will agree to dismiss its action against Symantec in Texas?”
- The response from Uniloc’s counsel: “We think it best for Uniloc to file a related complaint in CA and then *to dismiss in TX.*”
- Symantec’s counsel then replied, noting: “We are presuming that Uniloc intends to file in California before our response is due in Texas, and that *you will thus dismiss the Texas action* before we have to respond.”
- The response from Uniloc’s counsel: “*You[r] presumptions are correct.*”

(See Dkt. No. 18-9 (emphases added).)

Given that this correspondence is so clear, it is difficult to understand Uniloc’s assertion that it did not agree to dismiss Symantec from the Texas action. Because Uniloc *did in fact agree* (as is unambiguously shown above) to dismiss Symantec from the Texas action, one of two things must be true: either (1) Uniloc’s lead counsel, speaking on behalf of and after consulting with Uniloc,

1 agreed that Uniloc would dismiss Symantec in Texas, but then was instructed by
 2 Uniloc to attempt to renege on that agreement; or (2) Uniloc’s lead counsel agreed,
 3 on behalf of, but not having consulted with, Uniloc, that Uniloc would dismiss
 4 Symantec in Texas, and then was instructed by Uniloc to attempt to renege on that
 5 agreement. Either way, through its lead counsel, Uniloc made not one, but two
 6 separate representations that Uniloc would dismiss Symantec from the Texas
 7 action.¹ Uniloc’s argument to the contrary simply is disingenuous.

8 **II. THE FORUM SELECTION CLAUSE APPLIES**

9 This dispute began in 2008, when Uniloc sued Symantec and XtreamLok in
 10 this forum based on the 2002 Uniloc / XtreamLok license agreement, which
 11 provides that the courts in Orange County, California have “*exclusive* jurisdiction”
 12 over “any action arising out of or relating to” the agreement, and the parties “*wave*
 13 any other venue to which either party might be entitled.” (Dkt. No. 18-3 at 4.)
 14 Uniloc now argues that this forum selection clause “no longer applies” because the
 15 arbitrator found that the agreement had terminated. (Opp. at 4-5.) It cites no
 16 authority for this proposition. Indeed, the case law is to the contrary. *See, e.g.,*
 17 *Water, Inc. v. Everpure, Inc.*, No. CV-08-218, 2008 U.S. Dist. LEXIS 71744, at
 18 *10-11 (C.D. Cal. Aug. 4, 2008) (finding that the forum selection clause applied
 19 despite Plaintiff’s argument that the Agreement had been terminated prior to suit
 20 and therefore “its claims [we]re not related to the Agreement”); *Mahoney v. DePuy*
 21 *Orthopaedics, Inc.*, No. F-07-1321, 2007 U.S. Dist. LEXIS 85856, at *3, *22 (E.D.
 22 Cal. Nov. 7, 2007) (despite the fact that the parties agreed to terminate an
 23 agreement with a forum selection clause, the court found that “there is no dispute
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25 ¹ Mr. Bostock’s declaration on this topic is not a model of clarity. While he
 26 does appear to waive attorney-client privilege on this issue, the specific nature and
 27 timing of his communications with his client is clearly incomplete. While it might
 28 be of collateral interest to explore those communications further, the truth is that
 the agreement is unambiguously confirmed in the emails.

1 that the forum selection clause is presumptively valid”); *Advent Elecs., Inc. v.*
 2 *Samsung Semiconductor, Inc.*, 709 F. Supp. 843, 846 (N.D. Ill. 1989) (“In the
 3 absence of contractual language expressly or implicitly indicating the contrary, a
 4 forum selection clause survives termination of the contract.”) (citation omitted);
 5 *AGR Fin., L.L.C. v. Ready Staffing, Inc.*, 99 F. Supp. 2d 399, 401 (S.D.N.Y. 2000)
 6 (“Even if the Agreement was terminated, its forum selection clause would still be
 7 effective [so long as] the ‘jist’ of plaintiff’s claim involved” the agreement)
 8 (citations omitted); *YWCA of U.S. v. HMC Entm’t*, 1992 U.S. Dist. LEXIS 14713,
 9 at *9-10 (S.D.N.Y. Sept. 23, 1992) (applying forum selection clause and rejecting
 10 plaintiff’s argument that the clause would not apply because “the contract expired
 11 by its own terms”); 13-67 Corbin on Contracts § 67.2 (2010) (“Although
 12 termination and cancellation of an agreement extinguish future obligations of both
 13 parties to the agreement, neither termination nor cancellation affect those terms
 14 that relate to the settlement of disputes or choice of law or forum selection
 15 clauses.”). The very purpose of a forum selection clause often is to litigate post-
 16 termination disputes that relate to the subject matter of an agreement, which is the
 17 case here. Termination of the agreement simply does not render the clause
 18 ineffective.² Uniloc’s argument to the contrary is wrong.

19 **III. THE PARTIES’ PRIOR STIPULATION, AND THIS COURT’S**
 20 **ORDER, REMAIN IN EFFECT**

21 In addition to its attempt to (a) renege on its explicit agreement to dismiss
 22 Symantec from the Texas action, and (b) ignore (without authority) the continuing
 23

24 ² Uniloc also argues that the parties have not previously litigated this dispute.
 25 (Opp. at 4.) But Uniloc recognizes, as it must, that it did file suit in 2008 alleging
 26 infringement of the ’216 patent. Obviously, there has been no adjudication on the
 27 merits of the infringement claim. That is precisely the subject of Symantec’s
 28 motion – to require Uniloc to proceed on the merits in this forum, rather than in
 Texas.

1 applicability of the 2002 forum selection clause, Uniloc argues that the parties'
2 Stipulation and this Court's Order from the 2008 action are essentially a nullity.
3 Uniloc is wrong.

4 First, Uniloc contends that the Stipulation (in which it agreed that "*this*
5 *Court will retain jurisdiction to decide Uniloc's claims for Patent Infringement*")
6 and this Court's Order (that the Court "*shall retain jurisdiction over Uniloc's*
7 *Patent Infringement . . . Claim[]*") should not be enforced because Uniloc sued a
8 lot of other companies in the Eastern District of Texas and it would like to lump
9 Symantec into one of those cases along with eleven other companies unrelated to
10 Symantec. (Opp. at 6-7; *see also* Dkt. Nos. 18-5 (Stipulation), 18-6 (Order).)
11 Uniloc does not explain why or how its unilateral decision to do so would vitiate
12 the venue provision in the 2002 license agreement, the parties' Stipulation, or this
13 Court's Order. Instead, Uniloc simply rehashes the same misguided argument
14 from its Motion to Transfer/Dismiss that a transfer to Texas "would promote
15 judicial economy." (Opp. at 7.) However, as set forth in Symantec/XtreamLok's
16 opposition to that motion, the reality is that those proceedings are in their infancy:
17 the Texas court has issued a schedule in three of the cases, and in those three cases,
18 only two out of 41 defendants remain.³ Uniloc voluntarily dismissed all of the
19 defendants in the third case. Moreover, the action against Symantec in Texas is
20 improper in any event, because it joins multiple unrelated defendants and accuses
21 them of patent infringement by reason of selling multiple unrelated products, in
22 violation of the permissive joinder statute. (*See* Dkt. No. 20 at 5-7.)

23
24 ³ While Uniloc has made conclusory assertions intimating that significant
25 work has been done in connection with those two remaining defendants, it is
26 telling that no detail whatsoever has been provided. Clearly, far more work has
27 been done in connection with the Uniloc/Microsoft litigation in Rhode Island.
28 Thus, if that were the standard, Uniloc should be seeking to transfer to Rhode
Island.

1 Second, Uniloc makes the puzzling argument that “[t]he nature of the patent
2 relief requested by Symantec/XstreamLok in this case also favors denyin[g]
3 Symantec/XstreamLok’s motion and transferring to Texas,” because this Court has
4 discretion to determine whether to entertain the dispute under the Declaratory
5 Judgment Act whereas Uniloc’s claims in Texas are affirmative claims for patent
6 infringement. (Opp. at 7.) Given that Uniloc has asserted affirmative
7 counterclaims for patent infringement in this action, it is hard to see how this
8 argument makes any sense at all. Moreover, again, Uniloc does not explain how or
9 why the “nature of the patent relief requested” would vitiate Uniloc’s agreement to
10 dismiss Symantec from the Texas action, the venue provision in the 2002 license
11 agreement, the parties’ Stipulation, or this Court’s prior Order retaining
12 jurisdiction.

13 Third, Uniloc argues that Symantec’s choice of forum should be “given little
14 weight” because Symantec is located in the Northern District of California. (Opp.
15 at 8.) Uniloc does not explain how or why Symantec’s location would affect the
16 reality that this case had to be brought in this Court based on the prior agreements
17 and Order. In any event, Uniloc is simply wrong. In fact, not only is a plaintiff’s
18 choice of forum accorded substantial deference, but it is entitled to even greater
19 deference where, as here, there is a significant connection between the forum and
20 the events underlying the claim. *See Gates Learjet Corp. v. Jensen*, 743 F.2d
21 1325, 1335 (9th Cir. 1984); *Amini Innovation Corp. v. JS Imps., Inc.*, 497 F. Supp.
22 2d 1093, 1110 (C.D. Cal. 2007). Here, although Symantec is headquartered in the
23 Northern District of California, the U.S. facility where the accused activation
24 technology is developed is located in the Central District of California. That is
25 where most of the knowledgeable witnesses reside, and it is also where Uniloc
26 USA maintains its principal place of business. (*See* Dkt. No. 20 at 8, 15-17; Dkt
27 No. 20-1 ¶¶ 6-7; Dkt. No. 13 ¶ 3.)

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1 Ironically, Uniloc asserts that “it is obvious that Symantec is forum-
2 shopping.” (Opp. at 8; *see also id.* at 5-6.) But it is Uniloc that is forum shopping
3 and should be enjoined from doing so. After all, Uniloc agreed to a forum
4 selection clause specifying that this forum would have exclusive jurisdiction; filed
5 an action in this forum against Symantec and XstreamLok; stipulated that this Court
6 would retain jurisdiction over Uniloc’s infringement claims after completion of an
7 arbitration between the parties (which this Court ordered); and voluntarily
8 dismissed its action after completion of the arbitration, only to re-file it against
9 Symantec months later in Texas.

10 Fourth, Uniloc argues that because the arbitrator found that the 2002 license
11 agreement had been terminated, somehow this Court’s prior Order retaining
12 jurisdiction after completion of the arbitration “no longer applies.” (Opp. at 8.)
13 This is clearly wrong, since this Court’s Order is specifically directed to that
14 outcome: “This Court shall retain jurisdiction over Uniloc’s Patent Infringement
15 and Unfair Competition Claims, and shall re-activate the matter upon application
16 of the parties upon completion of the arbitration” (Dkt. No. 18-6 at 2.) This
17 Court’s retention of jurisdiction was not dependent upon the outcome of the
18 arbitration.

19 Fifth, Uniloc contends that, even if applicable, this Court’s retention of
20 jurisdiction “is not always controlling.” (Opp. at 8-9.) For support, Uniloc relies
21 on a non-precedential Federal Circuit decision directing the lower court to vacate
22 its order denying a motion to transfer venue, because the lower court relied solely
23 on “the parties’ private expression of venue choice” and “fail[ed] to provide a
24 meaningful evaluation of the § 1404(a) factors.” *See In re Oracle Corp.*, 2010
25 U.S. App. LEXIS 22829 (Fed. Cir. 2010). Uniloc does not explain why the *Oracle*
26 decision would affect this Court’s retention of jurisdiction. All that the *Oracle*
27 decision stands for is that a forum selection clause is not dispositive in the transfer
28 analysis, and the other familiar factors under Section 1404(a) must be considered.

1 That proposition is hardly remarkable, and Symantec and XstreamLok do not
2 contend otherwise. Moreover, the proposition is irrelevant to the instant motion,
3 which does not seek relief under Section 1404(a).

4 Sixth, Uniloc argues that this Court's retention of jurisdiction in fact "is not
5 controlling in this case." (Opp. at 5, 9.) In an apparent attempt to justify its own
6 forum shopping, Uniloc asserts that it was entitled to dismiss the case in this Court
7 and file a new action in Texas because this Court's Order required the parties to
8 apply to the Court to reactivate the prior action after completion of the arbitration,
9 and neither party did so. (*Id.*) However, nothing in the Court's Order required
10 immediacy, and the parties' failure to immediately reactivate the prior action does
11 not render this Court's retention of jurisdiction "not controlling." Moreover, it
12 does nothing to vitiate either (1) the forum selection clause in the
13 Uniloc/XstreamLok agreement, or (2) the parties' Stipulation in which they agreed
14 without condition or any "immediate reactivation" requirement that this Court
15 would retain jurisdiction to resolve any infringement or related disputes after
16 completion of the arbitration. Indeed, the Stipulation makes clear that "this court
17 will retain jurisdiction to decide Uniloc's claims for Patent Infringement and
18 Unfair Competition to the extent that either party contends any claims or issues
19 remain." (Dkt. 18-5 at 3:11-14.) The only logical conclusion to be drawn from
20 Uniloc's voluntary dismissal in this Court is that it believed that there were no
21 "claims or issues [that] remain[ed]." Now, apparently, it contends that claims did
22 remain, but they should be litigated elsewhere. That was precisely what the
23 parties' Stipulation and this Court's Order was intended to prevent.

24 Finally, Uniloc argues that this Court should ignore the prior agreements and
25 its Order because Uniloc was "first to file" in Texas. (Opp. at 9.) Again, Uniloc
26 does not explain how or why its unilateral 2010 decision to file in Texas would
27 affect the venue provision in the 2002 license agreement, the earlier-filed 2008
28 action, the parties' Stipulation, or this Court's prior Order retaining jurisdiction.

1 The first-to-file rule simply does not apply in this case, for at least several reasons:
2 (1) this Court is the first court with jurisdiction over this action; (2) different
3 parties and issues are involved in the two lawsuits (*e.g.*, XstreamLok and Uniloc
4 Corporation Pty Limited are not parties to the Texas actions); and (3) the prior
5 history in this forum and Uniloc's maneuvering to get into Texas, and the
6 convenience of the parties and witnesses, does not support application of the rule.
7 (*See* Dkt. No. 20 at 20-22.) In any event, the first-to-file rule is discretionary and
8 frequently is disregarded when there has been forum shopping, such as Uniloc's.
9 *See Alltrade, Inc. v. Uniweld Prods., Inc.*, 946 F.2d 622, 625-28 (9th Cir. 1991).

10 **IV. THE COURT SHOULD NOT COUNTENANCE UNILOC'S**
11 **BLATANT FORUM SHOPPING OR ALLOW IT TO PROCEED IN**
12 **THE EASTERN DISTRICT OF TEXAS**

13 There is no logical basis for the parties' disputes to be presented to a court in
14 the Eastern District of Texas. Uniloc's headquarters are in Irvine, six miles from
15 this courthouse. Uniloc's principals work out of that office. The Symantec facility
16 in the United States at which the product development has occurred is located in
17 the Central District of California, 42 miles from this courthouse. The relevant fact
18 witnesses are over 1,300 miles and a highly inconvenient day's travel from the
19 Eastern District of Texas. (*See, e.g.*, Dkt. No. 20 at 8, 15-17; Dkt. No. 20-1 ¶¶ 6-
20 7.) The Court should not indulge Uniloc's blatant forum shopping. Uniloc is
21 obligated to proceed – if at all – in this forum. Uniloc agreed to dismiss Symantec
22 from the Texas action. Uniloc should be held accountable for its agreements and
23 ordered to dismiss Symantec from the Texas action.

24 **V. CONCLUSION**

25 For the all of the foregoing reasons and for the reasons set forth in their
26 Motion and in their Opposition to Uniloc's pending transfer motion, Symantec and
27 XstreamLok respectfully request that this Court enjoin Uniloc from prosecuting the
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1 Texas action as against Symantec and require Uniloc to dismiss Symantec from
2 that action.

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4 Dated: December 6, 2010

Respectfully submitted,
LATHAM & WATKINS LLP

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By /s/ Mark A. Flagel

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Attorneys for Plaintiffs
SYMANTEC CORPORATION AND
XTREAMLOK, PTY

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