

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WISCONSIN**

APPLE INC. and NEXT SOFTWARE,)	
INC. (f/k/a NeXT COMPUTER, INC.),)	
)	
Plaintiffs,)	
)	
v.)	Case No. 10-CV-662 (BBC)
)	
MOTOROLA, INC. and MOTOROLA)	
MOBILITY, INC.,)	
)	
Defendants.)	

**PLAINTIFFS’ BRIEF IN OPPOSITION TO DEFENDANTS’ MOTION
TO DISMISS OR TO SEVER AND TRANSFER CLAIMS
IN PLAINTIFFS’ AMENDED COMPLAINT**

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Plaintiffs Apple Inc. (“Apple”) and NeXT Software, Inc. (“NeXT”) respectfully submit this brief in opposition to the motion filed by Defendants Motorola, Inc. and Motorola Mobility, Inc. (collectively “Motorola”) seeking a dismissal or transfer of Counts IV through XV of Apple’s and NeXT’s Amended Complaint (Dkt. No. 12).¹

Motorola seeks to send the majority of Apple’s and NeXT’s claims to the District of Delaware while its own claims remain in this Court and move toward prompt resolution. This would be neither efficient nor fair. Motorola has filed multiple suits in multiple fora against Apple and NeXT, and its motion to dismiss or transfer is part of a plan to secure strategic advantage, not judicial efficiency. Apple is not required to litigate in Delaware simply because it has litigated there in the past and has recently sought to transfer the Nokia litigation to that forum. The District of Delaware offers no additional efficiency, and the dispute between the parties belongs in this District. Accordingly, Motorola’s motion should be denied.

I. INTRODUCTION

Apple and NeXT believe that, to the maximum extent possible, their disputes with Motorola should be adjudicated in one forum. Through the elections of both sides, the center of gravity for the parties’ disputes is here, in the Western District of Wisconsin. Apple and NeXT have therefore proposed that the parties consolidate their district court litigation in this court. Motorola refuses. Instead, Motorola seeks to multiply burdens on litigants and courts by fighting this battle across three states—Wisconsin, Delaware,

¹ Counts IV through XV of the Amended Complaint (Dkt. No. 12) allege infringement by Motorola of U.S. Patent Nos. RE39,486, 6,424,354, 6,343,263, 6,275,983, 5,969,705, 5,946,647, 5,929,852, 5,915,131, 5,566,337, 5,519,867, 5,481,721, and 5,455,599, respectively.

and Florida. Motorola's effort to unnecessarily increase burdens, and therefore this motion, should be rejected.

Motorola relies heavily on the "first-filed rule" to support its motion. That "rule" does not dictate dismissal here for two principal reasons. First, Delaware is not a proper venue for Motorola's declaratory judgment claims against NeXT, and thus the first *properly* filed action is actually Apple and NeXT's amended complaint filed here. NeXT does not "reside" in Delaware and the District of Delaware is not "a judicial district in which a substantial part of the events or omissions giving rise to the claim occurred," so Delaware may not exercise personal jurisdiction over NeXT as a declaratory-judgment defendant. Apple and NeXT have filed a motion to dismiss Motorola's Delaware complaint. That motion has been fully briefed and is currently pending adjudication. Likewise, because venue is not proper in the District of Delaware, this action cannot be transferred to Delaware. *See* 28 U.S.C. § 1391(b).

Second and more importantly, Motorola's motion to dismiss (or to sever and transfer) Apple's infringement claims should be denied because the goals of efficiency and judicial economy would be best served by allowing *this Court* to resolve the parties' disputes. Motorola argues that proceeding in the District of Delaware would be most efficient given the potential for consolidation with four other cases in Delaware involving other parties and some of the same patents. This prediction rings hollow because Chief Judge Gregory M. Sleet recently denied consolidation of those four cases. *See* Declaration of Rebecca F. Kennedy in Support of Defendants' Motion to Dismiss or, in the Alternative, to Transfer Venue [hereinafter "Kennedy Decl.,"] Exh. 11 (Dkt. No. 32-11). Moreover, these cases are not likely to be promptly resolved. All four of those

actions are either (1) currently stayed pending parallel proceedings before the United States International Trade Commission (“ITC”); (2) awaiting a ruling on a motion to stay pending reexamination of certain patents-in-suit; and/or (3) awaiting rulings on motions to transfer. Motorola’s promise of efficiency is thus illusory; it is clear that Motorola’s intended effect is to delay adjudication of the majority of Apple’s infringement claims while pushing forward with Motorola’s claims on the prompt schedule set by this Court.

In contrast, Apple’s and NeXT’s proposal to consolidate *all* of the district court patent-infringement claims between the parties—involving common parties, some common inventors, and common accused products—in *this* forum to avoid duplicate litigation between the parties not only makes more sense but will promote judicial efficiency. As described below, Apple’s and NeXT’s motions to transfer the parties’ claims to this Court are already pending in two other district courts.

II. STATEMENT OF FACTS

This case arises out of a multi-district patent dispute between Motorola and Apple.² Ironically, Motorola’s motion touts the benefits of consolidation despite the fact that Motorola initiated this dispute by filing *five* complaints against Apple in *four* different fora.³ On October 6, 2010, Motorola filed³ two patent infringement complaints against Apple in the Northern District of Illinois, *see* Declaration of Steven S. Cherensky in Support of Plaintiffs’ Brief in Opposition to Defendants’ Motion to Dismiss or to Sever and Transfer Claims in Plaintiffs’ Amended Complaint [hereinafter “Cherensky Decl.”] Exhs. A-B; another in the Southern District of Florida, *see id.* Exh. C; and

² NeXT, a wholly-owned subsidiary of Apple, is not accused of infringing any of Motorola’s patents and is only named as a party in the above-captioned action and Motorola’s declaratory judgment action filed in Delaware.

³ Motorola’s “Statement of Facts” fails to note all of the currently pending litigation between the parties.

another one with the ITC, *see id.* Exh. D. Two days later, on October 8, 2010, Motorola filed yet another complaint against Apple in yet another forum, this time the District of Delaware, seeking declaratory judgment of non-infringement and invalidity of twelve Apple patents. *See* Kennedy Decl. Exh. 5 (Dkt. No. 32-5). On October 29, 2010, Apple filed the instant action and its own complaint with the ITC, *see* Cherenky Decl. Exh. E, as well as another complaint in this district.⁴ On November 9, 2010, Motorola voluntarily dismissed the two complaints it had filed in the Northern District of Illinois, *its home forum*, (*see id.* Exhs. F-G), in order to assert infringement of those sets of patents as counterclaims against Apple in this district.⁵ *See* Dkt. No. 5; C.A. No. 10-cv-661, Dkt. No. 5.

All told, Motorola and Apple are currently engaged in six patent infringement disputes in four venues: two separate investigations before the ITC, two suits before this Court (one of which has been stayed pending resolution of the two ITC investigations, *see* C.A. No. 10-cv-661, Dkt. No. 13), one in the Southern District of Florida, and one in the District of Delaware. Yet, despite the geographic diversity of the relevant fora, these cases—and the district court cases in particular—share critical features that militate in favor of their resolution in a single venue. The district court cases involve the same parties, related technologies, some overlapping inventors and prosecution counsel, substantially overlapping accused products, and accordingly, a considerable body of

⁴ As described in Motorola's motion, Civil Action No. 10-cv-661 involves the patents at issue in the co-pending ITC actions. Accordingly, the parties jointly moved to stay that action pursuant to 28 U.S.C. § 1659(a). *See* Kennedy Decl. Exh. 1 (Dkt. No. 32-1) [C.A. No. 10-cv-661, Dkt. No. 12].

⁵ That Motorola favors the Western District of Wisconsin (even over its home forum, the Northern District of Illinois) is further confirmed by the multiple complaints it recently filed against Microsoft Corporation in this district. *See* Cherenky Decl. Exhs. H-J.

common witnesses. Judicial efficiency would therefore be best served if all of the district court cases were litigated in the same venue. Specifically, as explained in further detail below, Apple and NeXT believe that this Court is the most appropriate venue in light of convenience for the parties, convenience for the witnesses, and the interests of justice.

In furtherance of this goal of increased efficiency and convenience, Apple and NeXT are actively engaged in efforts to transfer the adjudication of Motorola's declaratory judgment patent claims from the District of Delaware and the Southern District of Florida to this district. On December 2, 2010, Apple filed an Amended Complaint (Dkt. No. 12) including the twelve patents at issue in Motorola's declaratory judgment action filed in Delaware. On the same day, Apple filed a motion to dismiss or, in the alternative, to transfer Motorola's Delaware action to this district. *See Cherensky Decl. Exhs. K-L.* That motion is now fully briefed and pending adjudication.

Moreover, on December 28, 2010, counsel for Apple proposed to counsel for Motorola that all the district court actions between the parties be consolidated in one district. *See id.* Exh. M. Despite the obvious advantages of adjudicating the parties' claims in a single forum, and the fact that Motorola itself has already selected the Western District of Wisconsin over its home forum in the Northern District of Illinois to hear at least some of its patent infringement claims against Apple, Motorola does not agree with Apple's proposal. *See id.* at ¶ 14. In the parties' Joint Planning and Scheduling Report filed in the Southern District of Florida on December 29, 2010, Motorola stated that it "does not believe that consolidation is appropriate" and indicated it would oppose any motion to transfer filed by Apple. *See id.* Exh. N at 10. On

January 12, 2011, after further meet and confer (during which Motorola would not agree to consolidate the parties' disputes in this District or, indeed, in any District, *see id.* at ¶ 14), Apple filed a motion to transfer the Southern District of Florida action to this district. *See id.* Exh. O.

III. ARGUMENT AND AUTHORITIES

A. Motorola's Motion To Dismiss Counts IV-XV Of The Amended Complaint Based On The "First-To-File" Rule Should Be Denied

1. Legal Standards

When considering a motion to dismiss pursuant to Fed. R. Civ. P. 12(b)(3), the Court may consider venue-related factual allegations outside the pleadings without converting the motion to one for summary judgment. *Cont'l Cas. Co. v. Am. Nat'l Ins. Co.*, 417 F.3d 727, 733 (7th Cir. 2005). Any disputed facts must be resolved in plaintiff's favor. *Purdue Res. Found. v. Sanofi-Synthelabo, S.A.*, 338 F.3d 773, 782 (7th Cir. 2003).

Although the Federal Circuit applies the laws of the regional circuit in which the district court sits to procedural issues unrelated to substantive patent law, *see e.g., In re TS Tech USA Corp.*, 551 F.3d 1315, 1319 (Fed. Cir. 2008), Apple and NeXT agree with Motorola that Federal Circuit law applies to procedural issues that are "intimately involved in the substance of enforcement of the patent right" or are unique to patent law. *Lab. Corp. of Am. Holdings v. Chiron Corp.*, 384 F.3d 1326, 1330 (Fed. Cir. 2004) (internal citations omitted). For venue disputes concerning the appropriate forum where there are actions in different districts involving closely related patent-infringement questions, the Federal Circuit favors the "first-to-file" rule, even when the first-filed action is a declaratory judgment action. *Genentech, Inc. v. Eli Lilly and Co.*, 998 F.2d 931, 937 (Fed. Cir. 1993); *Elecs. for Imaging, Inc. v. Coyle*, 394 F.3d 1341, 1347 (Fed.

Cir. 2005) (citing *Genentech*, 998 F.2d at 937); *cf. Eragen Biosciences, Inc. v. Nucleic Acids Licensing, LLC*, 447 F. Supp. 2d 930, 940 (W.D. Wis. 2006) (Crabb, J.) (noting that the Seventh Circuit also endorses the “first-to-file” rule).

However, the “first-to-file” rule is not absolute. *Genentech*, 998 F.2d at 937 (“Exceptions, however, are not rare, and are made when justice or expediency requires, as in any issue of choice of forum.”); *Serco Servs. Co., L.P. v. Kelley Co., Inc.*, 51 F.3d 1037, 1039-40 (Fed. Cir. 1995) (affirming the district court’s dismissal of a first-filed declaratory judgment suit because it was filed in anticipation of the second-filed infringement suit and the forum for the latter was more convenient for the witnesses and the parties); *cf. Kuryakyn Holdings, Inc. v. Just in Time Distrib. Co.*, 693 F. Supp. 2d 897, 901 (W.D. Wis. 2010) (Crabb, J.) (noting in the context of a contractual dispute over royalty payments that “the Seventh Circuit does not apply the ‘first-to-file’ rule rigidly and has held that the presumption in favor of the first-filed case is overcome if the first case is a declaratory judgment action filed under threat of an imminent suit for the purpose of avoiding litigation in another forum”). Indeed, the U.S. Supreme Court has counseled against “rigid mechanical solution[s]” to venue and jurisdiction problems. *Kerotest Mfg. Co. v. C-O-Two Fire Equip. Co.*, 342 U.S. 180, 183 (1952).

2. The “First-Filed” Action Was Improperly Filed In A Venue Lacking Personal Jurisdiction Over NeXT

As a threshold matter, the “first-to-file” rule should not be applied in the instant case because Motorola’s “first-filed” declaratory judgment action was improperly filed. As Apple and NeXT demonstrated in their Delaware motion to dismiss, *see* Cherensky Decl. Exh. L, venue is improper in the District of Delaware due to that district’s lack of personal jurisdiction over NeXT.

To briefly summarize that argument, Motorola’s Delaware complaint seeks declaratory judgment relief. It is well established that 28 U.S.C. § 1391 governs the court’s venue analysis in such circumstances. *VE Holding Corp. v. Johnson Gas Appliance Co.*, 917 F.2d 1574, 1583 (Fed. Cir. 1990); *see also Horne v. Adolph Coors Co.*, 684 F.2d 255, 260 (3d Cir. 1982) (holding that “in declaratory judgment suits for patent invalidity or non-infringement the general venue provision, 28 U.S.C. § 1391, applies, rather than 28 U.S.C. § 1400(b)”). Under § 1391(b)(1), venue is proper in the District of Delaware only if *both* Apple and NeXT reside in Delaware. Apple and NeXT are corporations and therefore deemed to “reside” in a judicial district if subject to personal jurisdiction in that district. *See* 28 U.S.C. § 1391(c).

NeXT does not reside in Delaware. NeXT is incorporated in California, not Delaware, and has no offices, facilities, or employees in Delaware. Motorola’s sole basis for asserting that the District of Delaware has personal jurisdiction over NeXT is that “NeXT and/or Apple on behalf of NeXT, has purposefully directed its activities at this District by professing rights under the ’721 patent against Motorola Mobility as a subsidiary of Motorola, Inc.—both corporations organized and existing under the laws of the State of Delaware—and thus, NeXT expects or should reasonably expect to be haled into court here.” *See* Kennedy Decl. Exh. 5 (Dkt. No. 32-5) at ¶ 10. Yet, Motorola fails to allege that any of Apple’s or NeXT’s acts of “professing rights under the ’721 patent against Motorola Mobility,” *id.*, occurred within the state of Delaware, as opposed to simply directed towards Delaware-incorporated entities, which cannot ground proper

venue under § 1391(b)(1). Indeed, Motorola’s declaratory judgment complaint in Delaware did not allege any acts by NeXT whatsoever.⁶

Alternatively, § 1391(b)(2) provides that venue would be proper if “a substantial part of the events or omissions giving rise to the claim occurred” in the District of Delaware. As noted above, however, Motorola failed to allege that Apple or NeXT performed any particular acts of “professing rights under the ’721 patent against Motorola Mobility” within the state of Delaware.⁷ For these reasons, the District of Delaware does not have general jurisdiction over NeXT, and Motorola’s declaratory judgment complaint against Apple and NeXT must accordingly be dismissed for improper venue.

3. The “First-to-File” Rule Should Not Be Applied Because Motorola’s Declaratory Judgment Action Is Unlikely To Be Consolidated With Any Allegedly Related Litigation

Motorola argues that this Court should dismiss (or sever and transfer) Counts IV-XV of Plaintiffs’ amended complaint in favor of its own declaratory judgment claims “in view of the prospects for consolidation or coordination with the currently pending Delaware actions involving the same patents.” Opening Br. (Dkt. No. 29) at 10. Yet, this prediction of potential judicial efficiency is belied by the fact that on the same day

⁶ Motorola’s complaint also failed to allege sufficient facts to demonstrate that Delaware courts could exercise jurisdiction over NeXT under Delaware’s long-arm statute. Apple and NeXT also demonstrated that even if jurisdiction were proper under the Delaware long-arm statute, an exercise of jurisdiction would violate NeXT’s constitutional right to due process. Motorola’s opposition brief did not respond to these arguments. See Cherensky Decl. Exh. P.

⁷ In its opposition brief to Apple’s and NeXT’s Delaware motion to dismiss, Motorola argued that NeXT had waived its personal jurisdiction defense by asserting patent-infringement against *another party* in a different litigation. See Cherensky Decl. Exh. P. However, as Apple and NeXT noted in its reply brief, *see Id.* Exh. Q, the caselaw cited by Motorola does not support the proposition that a party’s decision to sue in a particular forum waives any jurisdictional defense there with respect to its disputes with other entities.

that Motorola was filing its motion, Chief Judge Sleet declined to consolidate those actions. *See* Kennedy Decl. Exh. 11 (Dkt. No. 32-11) (concluding that consolidation of Civil Action Nos. 09-cv-791, 09-cv-1002, 10-cv-166, and 10-cv-167 “would not streamline the proceedings” and denying Apple’s motion for consolidation). Thus, chances are slim that Motorola’s declaratory judgment action (even assuming *arguendo* that it remains in Delaware) would be consolidated with any of the other currently pending actions in Delaware involving some of the same patents asserted against other parties.

Moreover, Motorola fails to note that two of the four actions involving certain of the patents at issue here are currently stayed pending parallel proceedings before the ITC. *See Nokia Corp. v. Apple Inc.*, C.A. No. 09-cv-1002, Dkt. No. 13 (D. Del. Mar. 3, 2010); *Apple Inc. v. High Tech Computer Corp.*, C.A. No. 10-cv-166, Dkt. No. 17 (D. Del. Apr. 26, 2010). In a third action, there is a pending motion to stay Apple’s patent claims pending reexamination. *See Nokia Corp. v. Apple Inc.*, C.A. No. 09-cv-791, Dkt. No. 80 (D. Del. Aug. 3, 2010). Finally, in addition to Apple’s and NeXT’s motion to dismiss or, in the alternative, to transfer to this venue, there are pending motions to transfer the two HTC cases to the Northern District of California. *See Apple Inc. v. High Tech Computer Corp.*, C.A. No. 10-cv-166, Dkt. No. 8 (D. Del. Apr. 9, 2010); *Apple Inc. v. High Tech Computer Corp.*, C.A. No. 10-cv-167, Dkt. No. 8 (D. Del. Apr. 9, 2010), filed Mar. 2, 2010. Any substantial investment of judicial resources in Delaware into the patents-in-suit in these other actions is therefore likely to happen far in the future, if at all. In contrast, this Court has already issued a Preliminary Pretrial Scheduling Order (Dkt. No. 27) setting this case for trial starting on April 30, 2012.

4. Efficiency And Judicial Economy Are Best Served If This Court Adjudicates The Parties' Claims

As the Federal Circuit has recognized, it may be “unjust or inefficient to continue the first-filed action” based on “the convenience and availability of witnesses, or absence of jurisdiction over all necessary or desirable parties, or the possibility of consolidation with related litigation, or considerations relating to the real party in interest.” *Genentech*, 998 F.2d at 938 (further noting that “the trial court’s discretion tempers the preference for the first-filed suit, when such preference should yield to the forum in which all interests are best served”).

Here, Motorola’s requested relief is inherently inefficient because Motorola only seeks *partial* dismissal (Counts IV-XV) of Plaintiffs’ Amended Complaint. Dismissing only a subset of the patents-in-suit hardly conserves the judicial resources of this district. In other words, regardless of whether Motorola’s motion is granted, this Court must nonetheless adjudicate Apple’s claims against Motorola devices regarding three patents as well as Motorola’s claims against Apple devices regarding six patents. Moreover, system-wide inefficiencies are created by granting Motorola’s motion since not one, but (at least) two district courts would need to expend time and energy resolving the parties’ disputes. Conversely, maintaining the action in this district provides an immediate opportunity for this Court to consolidate the parties’ claims from at least two district court actions, even in the absence of any rulings on Plaintiffs’ currently pending motions to dismiss in the District of Delaware and the Southern District of Florida.

Motorola’s efforts to continue litigating patent infringement claims concerning the same parties, overlapping products, and related technologies in multiple district courts generates precisely the sort of inefficiencies that counsel against a rigid application of the

“first-to-file” rule. Although Motorola has every right to litigate its claims against Apple, it is not entitled to tie up judicial resources in three disparate jurisdictions in the process, particularly when (as discussed above, *see supra* Section III.A.2) the forum of the allegedly “first-filed” action cannot exercise personal jurisdiction over all the necessary parties. This Court should reject Motorola’s transparent attempt to preserve what it no doubt perceives to be a strategic advantage in forcing the parties to litigate in multiple venues at the expense of efficiency and judicial economy.

Despite the fact that the same products stand accused of patent infringement in the three currently pending district court actions between the parties, Motorola would have all three courts expend resources understanding the function, design, and operation of these products and related patent technologies, resolving overlapping discovery disputes, and issuing evidentiary rulings on similar, if not identical, matters. Specifically, Motorola accuses Apple’s iPhone, iPad, iPod and Mac products of infringing its patents, while Apple accuses Motorola’s mobile phone products, and its mobile phone products running the Android operating system in particular, of infringing its patents. The parties’ infringement allegations concern interrelated aspects of the operation of these devices.

The identity of the accused products and general technological areas covered by the asserted patents means that, if Motorola’s motion to dismiss is granted, at least two district courts (*i.e.*, this Court and the District of Delaware) would have to invest significant resources studying the same products and same general technology. “To require two different courts to educate themselves about the same underlying technology does not promote judicial efficiency.” *Nokia Corp. v. Apple Inc.*, C.A. No. 10-cv-249

(Dkt. No. 67), Slip Op., at 11-12 (W.D. Wis. Jan. 5, 2011) (granting Apple’s motion for transfer where the same products stood accused in both the transferor and transferee venues and the patents asserted in those venues shared “at least some degree of overlapping technology”); *Abbott Labs. v. Selfcare, Inc.*, No. 98-CV-7102, 1999 WL 162805, at *2 (N.D. Ill. Mar. 15, 1999) (“The two actions, even though directed to different patents, involve the same parties and substantially similar technology. They also involve similar complex factual and legal questions that will require the expenditure of considerable time and effort. Requiring two courts to devote limited resources educating themselves about the same underlying technology would undermine values of judicial economy.”).

Furthermore, both this court and the District of Delaware would inevitably be forced to resolve closely related discovery disputes. Judicial efficiency is hardly served by forcing multiple courts to resolve such similar discovery disputes. *See Nokia*, No. 10-cv-249 (Dkt. No. 67), Slip Op., at 12 (noting that cases involving the same products and related patents are “likely to involve similar, if not the same, disputes concerning motions to compel, protective orders, and evidentiary disputes” as well as many of the same non-party discovery issues). In addition, simultaneously litigating in Delaware, Florida, *and* Wisconsin (as Motorola apparently wishes to do)—in addition to the two investigations in the ITC—would create unnecessary scheduling conflicts as well as considerably complicate discovery and pretrial proceedings.

Closer to trial, the parties would likely raise similar motions *in limine* and disputes concerning jury instructions, thus creating a serious risk of conflicting evidentiary rulings. *Id.* Moreover, to the extent that the parties consider settlement,

negotiations in one case will be inextricably intertwined with events in another case. Allowing related cases to proceed on separate schedules in separate courts would complicate settlement discussions and potentially hamper a global settlement between the parties.⁸

Litigating the entire dispute in a single forum, on the other hand, will facilitate coordination of discovery and the resolution of any pretrial disputes. *Id.* Similarly, both the parties and the court system will benefit from having a single judge that is familiar with the parties, their products, and the technology in dispute, even where different patents are asserted. *See, e.g., Abbott Labs.*, 1999 WL 162805, at *2. Although Apple and Motorola are both large corporations and not likely to experience extreme hardship as a result of the financial burdens of this particular litigation, proceeding in a single venue would undoubtedly reduce the overall costs incurred by both parties.

Motorola has itself made these very arguments in its own motions for transfer. Indeed, Motorola's present insistence on maintaining four related actions between the same parties and pertaining to the same products in three separate district courts is a striking reversal from the anti-forum-shopping, pro-efficiency position it recently took under nearly identical circumstances with respect to a series of litigations between it and Research in Motion involving some of the same patents now asserted against Apple. There, Motorola characterized transfer as a means to facilitate "the most economical and

⁸ For example, the likelihood that the actions in Wisconsin and Delaware would proceed on different schedules is high. This Court has already issued a Preliminary Pretrial Scheduling Order (Dkt. No. 27) setting a trial date within fifteen months. As noted in one recent article, the average time to trial in the District of Delaware is 2.03 years. *See Cherensky Decl. Exh. R [Lemley, Mark A., "Where to File Your Patent Case," 38 AIPLA Q.J. No. 4 at 17 (Fall 2010)].*

expeditious manner of resolving the pending claims and disputes between the parties” when it faced a “multiplicity and duplication of averments spread out over four different actions in three districts,” see *Research in Motion Ltd. v. Motorola, Inc.*, Case No. 3:08-cv-00317-K, Motorola’s Notice of Related Case and Motion to Transfer (Dkt. No. 7), at 3 (N.D. Tex. Mar. 4, 2008). Indeed, Motorola affirmatively argued that the fact that the same products were accused in the various litigations supported transfer. *Id.* In stark contrast to its former position, Motorola now appears to be less concerned about avoiding inefficiencies than preserving what it no doubt perceives to be its own strategic advantage in litigating in multiple venues.

Motorola cannot credibly deny that the Western District of Wisconsin is an appropriate forum for this action, since Motorola only seeks a *partial* dismissal of Apple’s and NeXT’s patent-infringement claims. In the context of a transfer motion in another case, Motorola itself argued with conviction that “[i]t would be manifestly unjust” for a party “to take the position that [a district court] is an appropriate and convenient forum in one action but inconvenient in this one.” *Gen. Patent Corp. Int’l v. Motorola, Inc.*, Case No. 3:98-cv-0123, Memorandum of Points and Authorities in Support of Motorola's Motion to Transfer this Action to the Southern District of New York (Dkt. No. 11), at 13-14 (S.D. Cal. Mar. 23, 1998). Here, Motorola appears to be taking the paradoxical position that this district is an appropriate and convenient forum for adjudicating half of the claims in the above-captured action, but not the other half. Motorola’s willingness to have this Court adjudicate a subset of the claims in this action as well as all of the claims in C.A. No. 10-cv-661 confirms that the Western District of Wisconsin is a mutually agreeable forum, convenient to both parties for this dispute.

In its motion, Motorola makes much of Apple's preference to proceed in Delaware in another litigation against Nokia. As this court expressly recognized in granting Apple's motion to transfer that case to the District of Delaware, however, "[w]hat may prove to be a convenient forum for a party in one context may not necessarily be the case for the same party in another." *Nokia*, No. 10-cv-249 (Dkt. No. 67), Slip Op., at 5-6, n.1 (further observing that "the court's analysis varies with the unique circumstances surrounding each case, regardless of prior or current litigation"). And, in any event, Apple's positions here and with respect to Nokia are entirely consistent. In both instances, Apple has sought to consolidate related litigations between the same parties into a single, "center of gravity" district court. In Apple's disputes with Nokia, that court was the District of Delaware; here, it is this Court. Thus, Motorola's arguments concerning Apple's positions in the *Nokia* action should be given little, if any, weight.

5. The District Of Delaware Is Not More Convenient To The Witnesses Or To The Parties

Motorola's only connection to the District of Delaware is that Motorola, Inc. and Motorola Mobility, Inc. are incorporated there; however, its principal place of business is in Illinois. *See* Answer (Dkt. No. 5) at ¶¶ 2-3. Apple and NeXT are both California corporations, headquartered in Cupertino, California. *See* Amended Compl. (Dkt. No. 12) at ¶¶ 1-2. As Motorola acknowledges in its motion papers, the potential witnesses or sources of evidence are likely to be located in either Illinois or California, but would be equally available in Wisconsin or Delaware. *See* Declaration of William P. Alberth Jr. in Support of Defendants' Motion to Dismiss or, in the Alternative, to Transfer Venue (Dkt. No. 30) at ¶ 6.

Similarly, nearly all of the named inventors listed in the Apple patents are identified on the patents-at-issue as residing in California. Many of the named inventors listed in the Motorola patents reside in the Midwest, near Motorola's principal place of business. Thus, for both Apple and Motorola's witnesses, Wisconsin is a much closer venue than Delaware. Moreover, because all of these third-party witnesses must already travel to Wisconsin if called to testify for the portions of this dispute remaining in this district regardless, it would be both inconvenient and costly to re-litigate the same issues in Delaware.

6. The District of Delaware Cannot Exercise Jurisdiction Over All Necessary Parties

As noted above, *see supra* Section III.A.2, the District of Delaware cannot exercise personal jurisdiction over NeXT. As such, this factor weighs against dismissing the instant action, since the "first-filed" action was improperly filed in Delaware.

B. Motorola's Motion, In The Alternative, To Sever And Transfer Should Be Denied

Alternatively, Motorola seeks relief pursuant to 28 U.S.C. § 1404(a), which permits a district court to "transfer any civil action to any other district or division where it might have been brought." 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. *Van Dusen v. Barrack*, 376 U.S. 612, 616 (1964). The decision whether to transfer a case is within the trial court's discretion. *Gulf Oil Corp. v. Gilbert*, 330 U.S. 501, 508 (1947). It requires an "individualized, case-by-case consideration of convenience and fairness." *Stewart Org., Inc. v. Ricoh Corp.*, 487 U.S. 22, 29 (1988) (quoting *Van Dusen*, 376 U.S. at 622). At least one judge in this district has explicitly recognized that "the court's analysis varies with the unique circumstances

surrounding each case, regardless of prior or current litigation.” *Nokia*, No. 10-cv-249 (Dkt. No. 67), Slip Op., at 6, n.1.

In deciding whether to transfer a case to another district, a court must consider (1) the convenience of the parties, (2) the convenience of the witnesses, and (3) the interest of justice, which the Seventh Circuit has characterized as “placeholders for a broader set of considerations, the contours of which turn upon the particular facts of each case.” *See Coffey v. Van Dorn Iron Works*, 796 F.2d 217, 219 n.3 (7th Cir. 1986). Such factors may include whether transferring the case would help the plaintiff receive a speedier trial and whether transfer would be to a forum where consolidation with related litigation is feasible. *Id.* at 221. As the moving party, Motorola bears “the burden of establishing, by reference to particular circumstances, that the transferee forum is clearly more convenient.” *Id.* at 219-20.

As these considerations are identical to those discussed above, Apple and NeXT incorporate by reference that analysis.

IV. CONCLUSION

For the aforementioned reasons, Apple and NeXT respectfully request that the Court deny Motorola’s Motion to Dismiss or, in the Alternative, to Sever and Transfer Claims to the District of Delaware.

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Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on January 13, 2011, I caused the foregoing document to be electronically filed with the Clerk of Court using the ECF system, which will make this document available to all counsel of record for viewing and downloading from the ECF system.

/s/ James D. Peterson
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