

**United States Court of Appeals
for the Federal Circuit**

IN RE: VOIP-PAL.COM, INC.
Petitioner

2021-112

On Petition for Writ of Mandamus to the United States District Court for the Northern District of California in Nos. 5:20-cv-02460-LHK, 5:20-cv-02995-LHK, 5:20-cv-03092-LHK, Judge Lucy H. Koh

**RESPONSIVE BRIEF OF PLAINTIFFS-RESPONDENTS APPLE
INC., AT&T CORP., ET AL., CELLCO PARTNERSHIP D/B/A
VERIZON WIRELESS**

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I. INTRODUCTION

Petitioner falls well short of demonstrating any abuse of discretion or usurpation of judicial power in the District Court’s reasoned and thorough analysis of the first-to-file rule and denial of Petitioner’s motion to dismiss. Under its broad, discretionary authority, the District Court evaluated the first-to-file rule in view of the entire history of the relevant disputes between the parties. Petitioner’s argument—that the District Court was required to ignore that history and artificially consider only the filing dates of the recent lawsuits—was properly rejected below, and it should be rejected again here.

Before these cases existed, the District Court (Koh, J.) had already presided over and adjudicated six cases involving Petitioner and six of its patents, including four cases filed against Respondents. In the first four cases, the District Court analyzed two patents, ultimately concluding in a 45-page opinion that the asserted claims were invalid under 35 U.S.C. § 101. On March 16, 2020, this Court (Newman, Lourie, and O’Malley, JJ.) entered an order summarily affirming the District Court’s order. *VoIP-Pal.com, Inc. v. Twitter, Inc.*, 798 F. App’x 644 (Fed. Cir. 2020). In the other two cases, the District Court analyzed four additional patents, all of which issued from a common parent application and shared substantially the same specification as the patents in the first set of cases. The District Court concluded in 68-page opinion that the asserted claims were invalid

under § 101. On November 3, 2020, another panel of this Court (Moore, Reyna, Taranto, JJ.) summarily affirmed that order, too. *VoIP-Pal.com, Inc. v. Apple Inc.*, 828 F. App'x 717 (Fed. Cir. 2020).

Unhappy with the District Court's two invalidation decisions, while the appeal on the second decision was pending in this Court, Petitioner filed yet another set of cases concerning yet another patent—one with the same parent application, the same specification, and the same inventors as each of the earlier six patents. But this time, Petitioner filed suit in the Western District of Texas (Albright, J.). Respondents filed declaratory judgment actions in the District Court, asking it to exercise jurisdiction based on (among other things) its extensive familiarity with the parties' disputes from the earlier cases, and Petitioner responded by filing a motion to dismiss the declaratory judgment actions under the first-to-file rule. Judge Albright issued a *sua sponte* order staying the Western District of Texas cases pending the District Court's resolution of Petitioner's motion to dismiss.

In considering whether to apply the first-to-file rule, district courts are afforded “an ample degree of discretion, appropriate for disciplined and experienced judges.” *Merial Ltd. v. Cipla Ltd.*, 681 F.3d 1283, 1299 (Fed. Cir. 2012) (quoting *Kerotest Mfg. Co. v. C-O-Two Fire Equip. Co.*, 342 U.S. 180, 183–84 (1952)). In denying Petitioner's motion to dismiss, the District Court reasonably exercised that discretion, holding that a number of considerations—including judicial efficiency,

convenience of the parties, and discouragement of forum shopping—warranted an exception to the first-to-file rule. Petitioner now seeks the extraordinary remedy of a writ of mandamus, and in the process, publicly launches *ad hominem* attacks against the District Court—which is not the first time it has attacked public officials personally in response to unfavorable litigation developments. Because Petitioner does not come close to establishing a right to mandamus relief, the Petition should be denied.

II. COUNTERSTATEMENT OF THE CASE AND FACTS

Pursuant to Federal Circuit Rule 28(b), Respondents identify the following facts that were either not included in Petitioner’s brief or which reflect areas of disagreement with Petitioner.

A. Petitioner Consented To Transfer Of Its Earlier Cases To The Northern District Of California.

As summarized in the Petition, in 2016 Petitioner filed four lawsuits in the District of Nevada against AT&T, Verizon, Apple, and Twitter. (Pet. 8.) In 2018, Petitioner filed two more lawsuits in the District of Nevada, this time against Apple (again) and Amazon. (*Id.* at 9-10.) The District of Nevada dismissed the case against Twitter for improper venue. (*Id.* at 8.) Petitioner asserts that, as a result, it “had no choice” and was “forced” to transfer the remaining cases to the Northern District of California. (*Id.* at 8-9, 10.) That assertion is false. To the contrary, Petitioner voluntarily agreed to transfer both of its earlier cases against Apple from

Nevada to the Northern District of California, agreeing in a signed stipulation that “[t]he convenience of the parties and witnesses favors transfer to the Northern District of California.” Appx1869 (emphasis added). Petitioner signed similar stipulations regarding the convenience of the parties and witnesses for AT&T and Verizon. Appx1865; Appx1874.

B. The District Court Did Not Refer To Petitioner’s Patents As A “Cancer.”

Shortly after transfer of Petitioner’s cases from the District of Nevada, the District Court held a conference to discuss management of the various cases. At that conference, the District Court observed that Petitioner was continuing to prosecute patents in the same family as the six patents-in-suit. Appx872-76. In that context, for the purposes of *case management*, the District Court asked Petitioner whether the *cases* would keep “growing like a cancer”—*i.e.*, whether Petitioner intended to file serial litigations on patents from the same family. Appx874. Contrary to Petitioner’s accusation, the District Court was not referring to Petitioner’s *patents* as a “cancer.” (Pet. 3-4, 20.) And as it turns out, the District Court’s questions were prophetic—Petitioner ultimately filed follow-on litigations on a highly-similar patent from the same family (the ’606 patent), just as the District Court predicted.

C. Petitioner Has Repeatedly And Baselessly Accused Public Officials, Including The District Court, Of Bias.

Petitioner’s brief includes multiple *ad hominem* attacks against the District Court—accusing it of, among other things, exhibiting “overt bias” (Pet. 4), “prejudg[ing]” the outcome of these cases (*id.* at 19), and rendering its opinion “carelessly” (*id.* at 29). These are the latest in a line of personal attacks by Petitioner and its associates against public officials.

In 2017, after the Patent Trial and Appeal Board (PTAB) instituted *inter partes* review on two of Petitioner’s patents, Petitioner’s representatives sent six *ex parte* letters to various government officials—including the Chief Judge of the PTAB, the Acting Director of the Patent Office, the Secretary of Commerce, and the President of the United States. Appx1343-48, 1350-52, 1354-58, 1360-65, 1367-74, 1376-85. Those letters accused the Patent Office and officials of (among other things) extortion and potential violations of the federal Racketeering Influenced and Corrupt Organizations Act based on the PTAB’s institution determinations that Petitioner’s patent claims were potentially invalid. Appx1377, 1379 (Patent Office has “engaged in behavior that may support a civil Racketeering Influenced and Corrupt Organizations Act (RICO) action”) (accusing “Undersecretary Lee of ‘stacking’ the panel of PTAB judges to achieve a particular policy point of view”). Petitioner later conceded that those letters were written by a shareholder *with approval from and coordination with Petitioner’s management*. Appx1500.

In January and May 2020, shareholder Barry Canty wrote two similar letters to the Chief Judge of the Northern District of California, mischaracterizing the District Court’s “growing like a cancer” comments and accusing the District Court of bias. Appx1387-89, 1391-92. Much of that same language appears in the website post, purportedly authored by Petitioner’s CEO, which Petitioner attempts to rely on in this proceeding. (See Pet. 20 (citing <https://www.ceocfointerviews.com/emilmalakoped121920.html>.)

III. LEGAL STANDARDS

A. Legal Standard For Mandamus

“The remedy of mandamus is available only in extraordinary situations to correct a clear abuse of discretion or usurpation of judicial power.” *In re Shared Memory Graphics LLC*, 659 F.3d 1336, 1339 (Fed. Cir. 2011) (citing *In re Calmar, Inc.*, 854 F.2d 461, 464 (Fed. Cir. 1988)). A party seeking a writ bears the burden of proving that it has no other means of obtaining the relief desired. *Mallard v. U.S. Dist. Court*, 490 U.S. 296, 309 (1989). Additionally, the petitioner must establish that the right to issuance of the writ is “clear and indisputable.” *Allied Chem. Corp. v. Daiflon, Inc.*, 449 U.S. 33, 35 (1980).

B. Legal Standard Governing Application Of The First-To-File Rule

“The ‘first-to-file’ rule is a doctrine of federal comity, intended to avoid conflicting decisions and promote judicial efficiency.” *Merial*, 681 F.3d at 1299. The doctrine generally favors pursuing the first-filed action, but “the rule is not

rigidly or mechanically applied.” *Id.* Indeed, exceptions are “not rare, and are made when justice or expediency requires, as in any issue of choice of forum.” *Genentech, Inc. v. Eli Lilly & Co.*, 998 F.2d 931, 937 (Fed. Cir. 1993), *abrogated on other grounds, Wilton v. Seven Falls Co.*, 515 U.S. 277, 281 (1995). Such exceptions are warranted when “sound reason[s] that would make it unjust or inefficient to continue the first-filed action.” *Elecs. for Imaging, Inc. v. Coyle*, 394 F.3d 1341, 1347 (Fed. Cir. 2005). In analyzing whether to apply an exception to the first-to-file rule, district courts are afforded “an ample degree of discretion, appropriate for disciplined and experienced judges.” *Merial*, 681 F.3d at 1299 (quoting *Kerotest*, 342 U.S. at 183-84).

IV. ARGUMENT

A. The District Court’s Decision To Apply An Exception To The First-To-File Rule Was Not A Clear Abuse Of Discretion Or Usurpation Of Judicial Power.

The District Court’s order described multiple bases justifying its conclusion to apply an exception to the first-to-file rule. *See* Appx11-14. Petitioner attacks several of those grounds. As explained below, each of Petitioner’s arguments lacks merit, and none comes close to showing an abuse of discretion or usurpation of judicial power by the District Court. But this Court can, and should, deny the Petition on a single ground: the primary rationale for the District Court’s order—its

familiarity with the parties' dispute—was a reasonable and sufficient justification for its ruling.

Specifically, the District Court correctly found that there were “sound reasons” not to apply the first-to-file rule—sound reasons that were based on the *history of the disputes*. See Appx11 (“Based on the existence of these prior cases, the Court determines that the first-to-file rule should not be applied here because there is ‘sound reason that would make it unjust or inefficient to continue’ the Texas cases.”) (citing *Elecs. for Imaging*, 394 F.3d at 1347; *Genentech*, 998 F.2d at 937-38). The District Court explained that it would be more “efficient for this Court to resolve the parties’ dispute because this Court already resolved the parties’ disputes regarding the patentability of [Petitioner’s] six other patents” in the same family. Appx11. The District Court recognized that the ’606 patent at issue in these cases “share[s] a common specification, title, parent application, inventors, and owner” with the six patents the District Court previously analyzed. Appx11. Likewise, the District Court observed that the case below and the prior cases “involve substantially similar technology and accused products.” Appx11. And the District Court noted that it had already written “113 pages addressing the validity of Defendants’ patents,” in two opinions affirmed by this Court. Appx11. In contrast, as the District Court explained (and Petitioners cannot credibly dispute), the Western District of Texas court has no significant experience with this family of patents. Appx11. The

District Court thus found that it would be more efficient for the case to proceed in California than in the Western District of Texas. Appx11.

As this Court has repeatedly explained, district courts are encouraged to consider—above all else—considerations of justice and efficiency in determining whether to apply the first-to-file rule. *See, e.g., Genentech*, 998 F.2d at 937 (explaining that exceptions to the first-to-file rule should be made “when justice or expediency requires”); *Elecs. for Imaging*, 394 F.3d at 1347 (explaining that exceptions are warranted when there are “sound reason[s] that would make it unjust or inefficient to continue the first-filed action”). That is exactly what the District Court did. Rather than mechanically and rigidly start and stop the analysis based on filing dates of the complaints, the District Court conducted a thorough and well-reasoned analysis detailing why its prior and extensive experience with these parties and patents would make it more efficient to proceed in the Northern District of California. Appx11. While Petitioner may disagree with the outcome, that disagreement does not make the District Court’s order a “usurpation of judicial power” justifying mandamus. *See In re Shared Memory Graphics*, 659 F.3d at 1339.

B. None Of VoIP-Pal’s Five Criticisms Satisfies the High Threshold For Establishing The Right To Mandamus Relief.

1. The District Court Reasonably Concluded That Rigid Application Of The First-To-File Rule Could Lead To Conflicting Results.

Seeking to find any error in the District Court’s reasoned analysis, Petitioner first argues that the District Court performed the wrong analysis for the possibility of conflicting decisions. (Pet. 16-20.) That argument should be rejected.

As described above, the goals of the first-to-file rule include “avoid[ing] conflicting decisions and promot[ing] judicial efficiency.” *Merial*, 681 F.3d at 1299. In its order, the District Court explained that in two prior orders—both of which this Court has summarily affirmed—it had already concluded that six of Petitioner’s patents failed to recite patent-eligible subject matter. Appx12. The District Court concluded: “Given that [the patent-in-suit below] shares a common specification, title, parent application, inventors, and owner with [Petitioner’s] six other patents that were examined by [the District Court] in the [earlier] cases,” any decision by the Western District of Texas could conflict with those affirmed rulings. Appx12-13. That conclusion was reasonable, and consistent with this Court’s guidance that application (or non-application) of the first-to-file rule should principally contemplate “considerations of judicial and litigant economy, and the just and effective disposition of disputes.” *Elecs. for Imaging*, 394 F.3d 1347; *Futurewei Techs., Inc. v. Acacia Research Corp.*, 737 F.3d 704, 708 (Fed. Cir. 2013).

Nevertheless, Petitioner argues that the District Court misconstrued *Merial* and committed clear error by highlighting a potential conflict that could arise between a ruling from the Western District of Texas and the District Court's *prior* orders. (Pet. 16-17.) But in *Merial*, this Court simply reiterated that the goals of the first-to-file rule are to "avoid conflicting decisions and promote judicial efficiency." 681 F.3d at 1299. This Court has never held that a district court can *only* consider potentially conflicting decisions in currently pending cases. Indeed, such a holding would conflict with the Supreme Court's caution against "rigid mechanical solution[s]" of the first-to-file rule and other questions of forum. *See Genentech*, 998 F.2d at 938 (quoting *Kerotest*, 342 U.S. at 183).

Likewise, the Court should reject Petitioner's assertion that "[t]he only plausible understanding of the district court's reasoning is that if the WDTX were to find the claims of the '606 patent eligible, then that would conflict with the district court's prior orders in the [earlier] cases." (Pet. 13.) The District Court made no such finding. *See* Appx12-13. Instead, it mentioned the *potential for* conflicting decisions. *Id.* And that potential is evident from the record below. For instance, Petitioner asserts that the patent at issue below confers the same benefits (like "routing transparency") as the benefits the District Court (and this Court) have already analyzed in its earlier orders. *See, e.g.,* Appx587; *VoIP-Pal.com v. Apple Inc.*, No. 5:18-cv-06217-LHK (N.D. Cal. Mar. 25, 2019), ECF 96; *VoIP-Pal.com v.*

Apple Inc., No. 5:18-cv-06216-LHK (N.D. Cal. Nov. 1, 2019), ECF 114; *VoIP-Pal.com, Inc. v. Twitter, Inc.*, 798 F. App'x 644 (Fed. Cir. 2020); *VoIP-Pal.com, Inc. v. Apple Inc.*, 828 F. App'x 717 (Fed. Cir. 2020).

The District Court's analysis was a sensible application of *Merial*. Given the District Court's extensive familiarity with six patents from the same family, including its analysis in two orders spanning 113 pages, it was reasonable for the District Court to conclude that maintaining jurisdiction over these cases would conserve judicial resources and ensure consistency of analysis. These are rational and substantive legal arguments that support the District Court's reasoning, rendering the extraordinary relief of mandamus unwarranted. *In re Eli Lilly & Co.*, 541 F. App'x 993, 994 (Fed. Cir. 2013) (nonprecedential).

In addition, as the District Court noted, Twitter, Inc. also filed a declaratory judgment action in the District Court against Petitioner for invalidity and non-infringement of the '606 patent. Appx6. That case does not involve the first-to-file rule, and three days after denying Petitioner's motion to dismiss, the District Court denied Petitioner's motion to dismiss the Twitter case, and accordingly that case will proceed in the Northern District of California. *E.g.*, Appx2690, 2698, 2712. That additional reason supports the District Court's conclusion that it would be more

efficient to maintain jurisdiction over Respondents' cases, and the petition should be denied for that reason as well.¹

Judge Albright also apparently realized the potential for conflicting decisions and benefit of the District Court's familiarity with this dispute. In September 2020, Judge Albright stayed all of the Western District of Texas cases pending an order from the (California) District Court on VoIP-Pal's first-to-file motion to dismiss. Appx2691.

Finally, the Court should reject Petitioner's baseless allegations that the District Court ha[s] "prejudged the . . . '606 patent," that the District Court is

¹ Petitioner may point to its cases against Facebook, Inc. et al., Google LLC, and Amazon.com, Inc. et al. in the Western District of Texas, but each of those defendants, two of which are headquartered in the Northern District of California, has filed motions to transfer to the Northern District of California. Appx2713-14, 2735-37, 2757-58. This Court should take judicial notice that Facebook, Inc. et al., Google LLC, and Amazon.com, Inc. et al. each moved to transfer their respective cases against VoIP-Pal pending in the Western District of Texas to the Northern District of California. *VoIP-Pal.com, Inc. v. Google LLC*, No. 6:20-cv-00269-ADA (W.D. Tex. Jul. 10, 2020), ECF 18; *VoIP-Pal.com, Inc. v. Amazon.com, Inc., et al.*, No. 6:20-cv-00272-ADA (W.D. Tex. Jul. 15, 2020), ECF 26; *VoIP-Pal.com, Inc. v. Facebook, Inc. et al.*, No. 6:20-cv-00267-ADA (W.D. Tex. Jul. 29, 2020), ECF 26. See *L.A. Biomed. Research Inst. v. Eli Lilly & Co.*, 849 F.3d 1049, 1061 n.6 (Fed Cir. 2017) ("We can properly take judicial notice of the records of related court proceedings.").

“predispose[ed] to invalidate” its claims, and that the District Court’s handling of the case “is highly prejudicial to VoIP-Pal.” (Pet. 19-20.)

As an initial matter, the applicable standard for a writ of mandamus is not, as Petitioner suggests, “highly prejudicial;” it is whether there has been a “clear abuse of discretion or usurpation of judicial power.” *See Shared Memory Graphics*, 659 F.3d at 1339. Moreover, Petitioner’s prejudice argument relies on mischaracterizing the District Court’s case management comments. As discussed above, the District Court expressed concern about the possibility of serial litigation—it did not characterize Petitioner’s patents as a “cancer.” (*See supra* Section II.B.) In addition, Petitioner’s contention that the District Court’s order caused certain of its directors to resign is based on a citation to a website, which is both inadmissible double hearsay and wholly irrelevant. (*See* Pet. 20.)

At bottom, Petitioner’s accusation that the District Court has somehow prejudged the ’606 patent to be invalid is baseless. The District Court did not hold that any claim of the ’606 patent is invalid, that it would find any claim invalid, or that any court must find any claim invalid. *See generally* Appx12-13. Instead, it performed a thorough analysis of the first-to-file rule, including avoidance of potentially inconsistent decisions. *See, e.g., id.* Because there is more than a “plausible support for the district court’s ruling,” Petitioner has not established that it is entitled to mandamus relief. *Shared Memory Graphics*, 659 F.3d at 1344.

2. The District Court Reasonably Concluded That Petitioner Engaged In Forum-Shopping.

Petitioner's second argument—that the District Court committed clear error in concluding that Petitioner engaged in forum shopping—should also be rejected. (See Pet. 20-25.) A district court has discretion to decline applying the first-to-file rule if it believes that the first-filed case was an attempt at forum shopping. *Kahn v. General Motors Corp.*, 889 F.2d 1078, 1081 (Fed. Cir. 1989). Here, the District Court had more than ample basis to reach that conclusion.

For example, the timing of the Texas lawsuits—just a few months after receiving a second adverse ruling from the District Court, and mere weeks after this Court affirmed one of those rulings—strongly suggests forum shopping. As the District Court detailed in its order, Petitioner filed six lawsuits on related patents in the District of Nevada, subsequently *agreeing* by stipulation to transfer five of those cases to the Northern District of California. Appx4. In 2019, via two separate orders, the District Court dismissed all six lawsuits, finding the asserted claims of all six patents invalid under 35 U.S.C. § 101. Appx4-5. Rather than file subsequent lawsuits involving patents from the same family in the District Court, Petitioner instead filed lawsuits in the Western District of Texas. But that forum not only lacks the District Court's familiarity with the patent family; it also lacks any meaningful geographical connection to Petitioner, which is a Nevada corporation with a principal place of business in Washington State. (Pet. 7.)

As the District Court reasonably concluded, “[t]hese circumstances suggest that [Petitioner] may be forum shopping, attempting to avoid [the District Court’s] unfavorable decisions by filing in another district.” Appx13. As the District Court observed, other courts have reached the same conclusion in similar circumstances. Appx13 (citing *Alexander v. Franklin Res., Inc.*, Case No. 06-7121, 2007 WL 518859, at *4 (N.D. Cal. Feb. 14, 2007).) Because the District Court’s analysis is reasonably supported by the factual record, mandamus is unwarranted. *See Shared Memory Graphics*, 659 F.3d at 1344 (explaining that denial of mandamus is required where there is “plausible support for the district court’s ruling”).

Petitioner alternatively argues that the District Court committed clear error because it could not reasonably conclude that forum shopping was Petitioner’s “*only* motive for filing” in the Western District of Texas. (Pet. 21 (citing *Genentech*, 998 F.2d at 935).) In *Genentech*, the panel simply observed that “first-filed suits have sometimes been dismissed when forum shopping was the only motive for filing.” 998 F.2d at 935. The panel in *Genentech* did not create a bright-line rule that a district court may decline to apply the first-to-file rule “only” when it specifically finds that forum shopping was the sole motive for filing in the first forum. Indeed, the panel reaffirmed the principle that it is within the district court’s discretion to determine whether “justice or expediency” justifies an exception to the first-to-file rule. *Id.* at 937-38.

Nevertheless, Petitioner essentially admits that its only motive to file suit in the Western District of Texas was forum shopping. Specifically, Petitioner complains that “the [D]istrict [C]ourt found the asserted claims of six VoIP-Pat patents ineligible at the Rule 12 stage, without the benefit of a fully developed factual record and without conducting claim construction. . . . [while] Judge Albright does not decide eligibility issues before claim construction.” (Pet. 17-18.) That assertion confirms the District Court’s reasonable conclusion that Petitioner filed suit in another forum not for convenience, but rather to avoid (or at least delay) adjudication of the patent-eligibility issues. That is forum shopping.

Petitioner’s assertions that it chose to file cases in the Western District of Texas because it “never chose to litigate” its earlier cases in the Northern District of California, and because “Nevada transferred [Petitioner’s] original cases,” are untrue. (*See* Pet. 22.) Petitioner voluntarily agreed in a signed stipulation to transfer both of its earlier cases against Apple, and its cases against AT&T and Verizon, from the District of Nevada to the Northern District of California because party and witness convenience “favors transfer.” Appx1869; Appx1865; Appx1874. Those representations—and the timing of Petitioner’s lawsuits in Texas shortly after receiving adverse rulings—reinforces the District Court’s reasonable conclusion that Petitioner engaged in forum shopping. Appx13.

Petitioner further complains that it was “unreasonable” for the District Court to conclude that Respondents had legitimate reasons to file declaratory judgment actions in the Northern District of California. (Pet. 23-24.) Citing other (non-binding) decisions from the Northern District of California, Petitioner argues that the District Court should have stayed the declaratory judgment cases and deferred to the Western District of Texas. (*Id.*) But Petitioner again ignores that the first-to-file rule is *discretionary*—and that exceptions are made “when justice or expediency requires, as in any issue of choice of forum.” *Genentech*, 998 F.2d at 937. Relying on the facts of *this case*, the District Court reasonably concluded that its extensive familiarity with the parties and related patents, together with Apple’s presence in the District, warranted an exception to the first-to-file rule. Appx13. That was a proper exercise of discretion, and it does not warrant mandamus.

3. The District Court Properly Applied The Convenience Factors Based On The Record.

Petitioner next criticizes the District Court’s conclusion that party and witness convenience presents a sound reason to maintain jurisdiction over the actions in the Northern District of California. (Pet. 26.) According to Petitioner, the District Court reached that conclusion based on “absolutely no evidence” in the record. (*Id.*)

But again, that assertion is belied by the record. In their consolidated opposition to Petitioner’s motion to dismiss below, Respondents cited their analysis in the Western District of Texas litigation of “the § 1404(a) factors demonstrating

the clear convenience of” the Northern District of California. Appx826. Contrary to Petitioner’s allegations, Respondents’ evidence on the convenience factors was in the record below. And far from being “forced” to transfer its earlier cases (Pet. 9), Petitioner affirmatively agreed with each Respondent, in signed stipulations, that “[t]he convenience of the parties and witnesses favors transfer to the Northern District of California.” Appx1865; Appx1869; Appx1874. Stipulations are evidence. *See Shell Oil Co. v. United States*, 896 F.3d 1299, 1312 (Fed. Cir. 2018) (explaining that the court is “free to admit the Stipulation and Parties’ Statements into evidence”). And the District Court referenced each of those stipulations in its opinion below. Appx4.

Indeed, as the District Court further explained, the cases in which Petitioner made those stipulations had many similarities with the cases below. They involved patents from the same family with a “common specification, title, parent application, inventors, and owner” as compared to the ’606 patent. Appx5. The accusations made in those cases overlap with Petitioner’s own description of the accusations under the ’606 patent: “user-customizable access to route calls in a distributed private network using public phone numbers to identify users.” Appx604. Thus, the District Court had a factual basis in the record to conclude that considerations of convenience and efficiency presented a sound reason to maintain jurisdiction over the Northern District of California actions.

Although Petitioner’s stipulations concerned transfer from the District of Nevada to the Northern District of California, Petitioner states that it is a “Nevada corporation with offices in Bellevue, Washington,” (Pet. 7), so it can hardly claim that moving the comparison from Nevada to Texas would change the outcome. The District Court could reasonably conclude that Petitioner’s one “business advisor”—whose presence in Texas began just as the Texas lawsuits were filed—was not determinative in deciding whether the Northern District of California was more convenient.² Appx2765, 2934.

Petitioner’s argument that the District Court clearly erred by relying exclusively on this Court’s decision in *In re Apple*, instead of performing a factor-by-factor convenience analysis, should likewise be rejected. (Pet. 27-28.) As explained above, the record evidence includes Petitioner’s signed stipulations in three separate cases that the convenience factors favored transfer to the Northern District of California. Those stipulations involved cases against each of the

² This Court should take judicial notice that AT&T and Verizon filed a Reply in Support of Their Opposed Motion to Stay in Favor of the First-Filed Case or, in the Alternative, to Stay, Dismiss, or Transfer Under the First-Filed Rule, and attached to that reply an Exhibit 44. *E.g., VoIP-Pal.com, Inc. v. AT&T Corp., et al.*, No. 6:20-cv-00325-ADA (W.D. Tex. Aug. 14, 2020), ECF 41. *See L.A. Biomed. Research Inst. v. Eli Lilly & Co.*, 849 F.3d 1049, 1061 n.6 (Fed Cir. 2017) (“We can properly take judicial notice of the records of related court proceedings.”).

Respondents—Apple, AT&T, and Verizon—refuting Petitioner’s suggestion that the District Court clearly erred by not considering each of Respondents’ cases separately. And although Petitioner insists that the District Court needed to conduct a “complete convenience analysis,” it does not actually identify why the District Court was unreasonable (let alone abused its discretion) in reaching its conclusions. Petitioner has previously admitted that convenience factors favor the Northern District of California, and the District Court came to the same conclusion. That is not an abuse of discretion.

4. The District Court Did Not Improperly Shift Any Burden To Petitioner.

Petitioner next argues that the District Court “carelessly and erroneously” shifted the burden onto Petitioner to prove that an exception to the first-to-file rule should not be applied. (Pet. 29.) That argument relies on multiple mischaracterizations of the District Court’s analysis and should therefore be rejected.

As described above, *see* Section IV.A, *supra*, the District Court correctly found that there were “sound reasons” not to apply the first-to-file rule—sound reasons that were based on the *history of the disputes*, not any issues that Petitioner had the burden to establish. *See* Appx11 (“Based on the existence of these prior cases, the Court determines that the first-to-file rule should not be applied here because there is ‘sound reason that would make it unjust or inefficient to continue’

the Texas cases.”) (citations omitted). In contrast, the Western District of Texas court has no experience with this family of patents. The District Court thus found that it would be more efficient for the case to proceed in California than in the Western District of Texas.³ Appx11.

The District Court then analyzed factors related to convenience, finding that private and public factors both favored maintaining jurisdiction. In particular, the District Court determined that “permitting this Court to hear the instant cases would . . . ‘avoid[] conflicting decisions’” and promote judicial efficiency, again citing to its two opinions holding that six related patents claimed patent-ineligible subject matter. Appx12. And as explained above, the evidence also included Petitioner’s own voluntary stipulations that “[t]he convenience of the parties and the witnesses favors transfer to the Northern District of California.” Appx4; Appx1869; Appx1874; Appx1865. On those bases, the District Court reasonably concluded that there were “‘sound reason[s] that would make it unjust or inefficient to continue’ the Texas actions. Appx11-12 (quoting *Elecs. for Imaging*, 394 F.3d at 1347).

³ The District Court also determined that Petitioner “completely ignore[d] the history of disputes between the parties regarding whether [Respondents] infringe [Petitioner’s] family of patents.” Appx11. But that does not mean that the District Court misapplied the burden to demonstrate an exception to first-to-file rule—in the briefing below, Respondents expressly argued that Petitioner’s motion to dismiss should be denied because it ignored the extensive litigation history between the parties, and Petitioner did not provide any substantive response. Appx817-20.

Only *after* completing that thorough analysis did the District Court include the statements that VoIP-Pal incorrectly contends amount to improper burden shifting. (Pet. 29-30 (identifying the District Court’s statements that VoIP-Pal “never provide[d] any reason why these cases should be heard by Judge Albright,” VoIP-Pal is not incorporated or headquartered in Texas, and that VoIP-Pal has no witnesses or proof in Texas as supposedly demonstrating burden shifting) (citing Appx13).) But it made sense for the District Court to write its opinion in that way. Having considered the evidence of convenience and efficiency presented by Respondents, the District Court next considered any countervailing evidence presented by Petitioner. Because none was offered (and none exists), the District Court exercised its discretion to apply an exception to the first-to-file rule. That is not “careless” burden shifting (as Petitioner alleges, *see* Pet. 29), or an abuse of discretion—it is a reasonable analysis of the record that was presented by both sides to the District Court.

5. The District Court Properly Considered Its Familiarity With the Parties’ Disputes As One Factor In Determining To Apply An Exception To The First-To-File Rule.

Petitioner also argues that the District Court incorrectly placed “dispositive weight” on its familiarity with the parties and the claimed inventions in order to apply an exception to the first-to-file rule. (Pet. 30-32.) That argument lacks merit for at least two reasons.

First, it is factually wrong. The District Court did not place dispositive weight on any one consideration. Rather, the District Court expressly considered a number of factors in exercising its discretion—including the relative ease of access to sources of proof, Appx12; the possibility of avoiding conflicting decisions, *id.*; and the factual circumstances reasonably suggesting that Petitioner had engaged in forum shopping, Appx13. Additionally, the District Court observed that the instant cases were filed within days of their counterparts in Texas—a situation in which courts are less likely to apply the first-to-file rule. *See* Appx13-14 (citing cases).

Second, Petitioner’s argument lacks legal basis. No case stands for Petitioner’s proposition that a district court must balance a certain number of factors in analyzing the applicability of the first-to-file rule. To the contrary, even the case that Petitioner cites explains that the first-to-file rule “is not absolute,” and that “exceptions may be made if justified by considerations of judicial and litigant economy, and the just and effective dispositions of disputes.” *Futurewei*, 737 F.3d at 708 (citing *Elecs. for Imaging*, 394 F.3d at 1347); *see also Merial*, 681 F.3d at 1299 (explaining that the first-to-file rule “is not rigidly or mechanically applied”). Here, as explained above, the District Court properly exercised its considerable discretion, extensively detailing (among other things) the litigant and judicial efficiencies that would be gained by adjudicating a dispute with which it was already familiar. Appx11-12.

Ultimately, Petitioner’s argument boils down to its assertion that the District Court had only “limited experience,” and no “special familiarity” with the ’606 patent at issue. (Pet. 31, 32.) But as the District Court explained in its order, it had already written two opinions spanning 113 pages addressing the invalidity of related patents, and the ’606 patent shares a common specification, title, parent application, inventors, and owner with those related patents. Appx11. No entity—and certainly not Petitioner—is in a better position to evaluate the District Court’s “familiarity” with the dispute than the District Court. The District Court concluded that its familiarity with the issues would lead to judicial efficiencies, and that conclusion is reasonable. Accordingly, mandamus is not warranted. *See Shared Memory Graphics*, 659 F.3d at 1344.

V. CONCLUSION

The District Court properly and reasonably exercised its discretion in recognizing an exception to the first-to-file rule. For at least the foregoing reasons, the Court should deny the petition.

Respectfully submitted,

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**UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT**

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Case Number: 21-112

Short Case Caption: In re: VoIP-Pal.com, Inc.

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CERTIFICATE OF SERVICE

I hereby certify that on this twenty-first day of January 2021, I served the foregoing RESPONSIVE BRIEF OF PLAINTIFFS-RESPONDENTS APPLE INC., AT&T ET AL., AND CELLCO PARTNERSHIP dba VERIZON WIRELESS, on all counsel of record by filing the document with the United States Court of Appeals for the Federal Circuit using the CM/ECF system.

Dated: January 21, 2021

/s/ Ameet A. Modi