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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

OMNI MEDSCI, INC.,
Plaintiff/Counter Defendant,
v.
APPLE INC,
Defendant/Counter Claimant.

Case Nos.: 19-cv-05924-YGR

~~PROPOSED~~ ORDER GRANTING APPLE INC.'S UNOPPOSED MOTION FOR AN ORDER CERTIFYING THE STANDING QUESTION FOR INTERLOCUTORY APPEAL UNDER 28 U.S.C. § 1292(B) AS MODIFIED BY THE COURT

Now before the Court is Defendant and Counter-Claimant Apple Inc.'s ("Apple") unopposed Motion for an Order Certifying the Standing Question For Interlocutory Appeal Under 28 U.S.C. § 1292(b). The Court has considered Apple's motion. Plaintiff Omni MedSci, Inc. believes that the standing issue was decided correctly, but it does not oppose Apple's motion. Accordingly, the Court **GRANTS** the motion for that reason and adopts the proposed order as set forth below.

Apple's motion seeks an order certifying the decisions related to Apple's motions to dismiss for lack of subject-matter jurisdiction for interlocutory appeal. Dkt. Nos. 151 & 227. Those decisions found that the employment agreement between the University of Michigan ("University") and Dr. Mohammed Islam—the founder and principal of Plaintiff and Counter-Defendant Omni MedSci, Inc. ("Omni")—did not automatically convey title to the asserted patents with the

1 University, and thus did not deprive Omni of standing to assert the patents after they were assigned
2 to Omni from Dr. Islam. Instead, the employment agreement obligated Dr. Islam to assign his rights
3 in the asserted patents to the University in the future. The relevant language from Dr. Islam’s
4 employment agreement, University Bylaw 3.10, provides that:

5 Patents and copyrights issued or acquired as a result of or in connection with
6 administration, research, or other educational activities conducted by members of the
7 University staff and supported directly or indirectly (e.g., through the use of University
8 resources or facilities) by funds administered by the University... *shall be the property
9 of the University.*

10 Mot. to Dismiss Ex. 2A at UM00000049, Dkt No. 90-2 (emphasis added).

11 Section 1292(b) allows for interlocutory appeal when (1) an order involves a controlling
12 question of law; (2) there is a substantial ground for difference of opinion regarding that legal
13 question; and (3) an immediate appeal may materially advance the ultimate termination of the
14 litigation.

15 Regarding the first prong of the § 1292(b) inquiry, if the appellant’s success on appeal would
16 result in dismissal of the case, as is the case here, the appeal involves a “controlling question of
17 law.” *See, e.g., Canela v. Costco Wholesale Corp.*, Case No. 13-cv-03598-BLF, 2018 WL 3008532
18 at *1 (N.D. Cal. June 15, 2018). Standing and subject-matter jurisdiction are controlling issues of
19 law. *See, e.g., id.* (“Article III standing” is a controlling question of law). Moreover, standing and
20 subject matter jurisdictions are reviewed *de novo* on appeal.

21 Regarding the second prong of the § 1292(b) inquiry, the Court finds that there is substantial
22 ground for difference of opinion whether the contractual language at issue here—“shall be the
23 property of the University”—operates as a present assignment of future rights or an obligation to
24 assign rights in the future. A decision may be certified when it presents a “novel legal issue[] . . . on
25 which fair-minded jurists might reach contradictory conclusions,” and “not merely where they have
26 already disagreed.” *Reese v. BP Expl. (Alaska) Inc.*, 643 F.3d 681, 688 (9th Cir. 2011).

27 The Federal Circuit has not directly confronted the assignment language at issue here,
28 making this a novel legal issue appropriate for interlocutory appeal. *See, e.g., Sky Techs. LLC v.*
SAP AG, 576 F.3d 1374 (Fed. Cir. 2009); *Int’l Gamco, Inc. v. Multimedia Games, Inc.*, 504 F.3d

1 1273, 1274 (Fed. Cir. 2007); *Ritz Camera & Image, LLC v. SanDisk Corp.*, 700 F.3d 503, 505 (Fed.
2 Cir. 2012); *Tri-Star Elecs. Int’l, Inc. v. Preci-Dip Durtal SA*, 619 F.3d 1364, 1365 & n.2 (Fed. Cir.
3 2010). Moreover, courts considering similar language have reached different results. *Compare C.R.*
4 *Daniels, Inc. v. Naztec Int’l Grp., LLC*, Civil Action No. EHL11- 1624, 2012 WL 1268623, at *4
5 (D. Md. Apr. 13, 2012) (finding “hereby agree[s] that without further consideration to [him] any
6 inventions or improvements that [he] may conceive, make, invent or suggest during [his]
7 employment . . . shall become the absolute property of [the employer]” effectuates an automatic
8 assignment), *Affymetrix, Inc. v. Illumina, Inc.*, 446 F. Supp. 2d 292, 296 (D. Del. 2006) (finding
9 “shall be the exclusive property of [Affymax]” effectuates an automatic assignment), and
10 *Alzheimer’s Inst. of Am., Inc. v. Avid Radiopharmaceuticals*, Civil Action No. 10-6908, 2011 WL
11 3875341, at *10 (E.D. Pa. Aug. 31, 2011) (finding “[a]n invention which is made in the field or
12 discipline in which the employee is employed by the University or by using University support is the
13 property of the University and the employee shall share in the proceeds therefrom” “unambiguously
14 vests ownership of . . . employees’ inventions in the University”), with *Windy City Innovations, LLC*
15 *v. Facebook, Inc.*, ___ F. Supp. 3d ___, Case No. 16-cv-1730 YGR, 2019 WL 4645414, at *4 (N.D.
16 Cal. Sept. 24, 2019). There is thus a substantial ground for a difference of opinion on the issues of
17 law here—standing and subject matter jurisdiction.

18 Regarding the third prong of the § 1292(b) inquiry, a reversal by the Federal Circuit
19 regarding Omni’s standing to bring this suit would result in dismissal of the case, “conserv[ing]
20 judicial resources and spar[ing] the parties from possibly needless expense if it should turn out that
21 [the standing] rulings are reversed.” *Bennett v. Islamic Republic of Iran*, 927 F. Supp. 2d 833, 846
22 n.15 (N.D. Cal. 2013) (citation omitted). That is “especially” true when, as here, the “action will
23 likely [already] be stayed.” *Su v. Siemens Indus., Inc.*, Case No. 12-cv-03743-JST, 2014 WL
24 4775163, at *3 (N.D. Cal. Sept. 22, 2014). Pursuant to a stipulation between the parties, the Court
25 stayed this action on November 20, 2019 pending resolution of several *inter partes* review
26 proceedings initiated by Apple. Dkt. No. 219.

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1 Accordingly, the Court **GRANTS** Apple’s motion and certifies the decisions related to Apple’s
2 motions to dismiss for lack of subject-matter jurisdiction, Dkt. Nos. 151 & 227, for interlocutory
3 appeal pursuant to 28 U.S.C. § 1292(b).

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5 This Order terminates docket number 350.

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7 It is therefore **ORDERED**.

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9 DATED: February 14, 2020



The Honorable Yvonne Gonzalez Rogers
United States District Judge

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