UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA SAN JOSE DIVISION

LYFT, INC.,

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Plaintiff,

v.

AGIS SOFTWARE DEVELOPMENT LLC. Defendant.

Case No. 21-cv-04653-BLF

ORDER DENYING MOTION TO SFER TO THE UNITED STATES EASTERN DISTRICT OF TEXAS **PURSUANT TO 28 U.S.C. 1404(A)**

[Re: ECF No. 34]

Before the Court is AGIS Software Development LLC's ("AGIS Software") Motion to Transfer to the United States District Court for the Eastern District of Texas Pursuant to 28 U.S.C. § 1404(a) in this declaratory judgment action brought by Lyft, Inc. ("Lyft") regarding various AGIS Software patents. Lyft seeks declaratory judgment of non-infringement as to five AGIS Software patents: U.S. Patent Nos. 7,031,728 ("'728 Patent"); 7,630,724 ("'724 Patent"); 8,213,970 ("'970 Patent"); 10,299,100 ("'100 Patent"); and 10,341,838 ("'838 Patent") (collectively, the "Asserted Patents" or "Patents-in-Suit"). The Patents-in-Suit generally pertain to mobile applications. AGIS Software previously sued Lyft for infringement of these patents in the Eastern District of Texas, but the suit was dismissed for improper venue. Now AGIS Software seeks to transfer this case to the Eastern District of Texas, citing convenience of witnesses, the familiarity of the Eastern District of Texas court with these patents, AGIS Software's incorporation and headquarters in the Eastern District of Texas, among other factors. Lyft opposes, citing, inter alia, its headquarters in the Northern District of California, its own choice to sue in this forum, and the Eastern District of Texas's dismissal of AGIS Software's Texas case.

Based on the below reasoning, the Court DENIES AGIS Software's motion. The Court



2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

jurisdiction over AGIS Software. In a separate ruling, the Complaint was dismissed with leave to amend to allow Lyft the further opportunity to plead facts sufficient to demonstrate specific jurisdiction. See Order, ECF No. 61. Absent such pleading, this case will be dismissed.

T. **BACKGROUND**

Lyft is a Delaware limited liability corporation with its principal place of business in California that provides rideshare services through its software applications. See Complaint, ECF No. 1 ¶¶ 1, 4; id., Ex. A ¶ 11. AGIS Software is a Texas limited liability company with its principal place of business in Texas. See Complaint, ECF No. 1 ¶ 2. Lyft alleges that AGIS Software is an "agent and alter ego" of Advanced Ground Information Systems, Inc. ("AGIS, Inc."), a Florida corporation with its principal place of business in Florida. See id. Lyft further alleges that the sole member of AGIS Software is AGIS Holdings, Inc. ("AGIS Holdings"), a Florida corporation with its principal place of business at the same Florida location as AGIS, Inc. See id.

On January 29, 2021, AGIS Software filed a patent infringement action against Lyft in the Eastern District of Texas regarding the Asserted Patents based on "the Lyft and Lyft Driver applications and the related services and/or servers for the applications." See id. ¶ 4. The case was consolidated with AGIS Software's cases against T-Mobile US, Inc., T-Mobile USA, Inc. (collectively, "T-Mobile"), Uber Technologies, Inc. ("Uber"), and WhatsApp, Inc. ("WhatsApp") before Judge Gilstrap under the caption AGIS Software Dev. LLC v. T-Mobile USA, Inc., No. 2:21-cv-00072-JRG-RSP (E.D. Tex.) ("T-Mobile Texas Case"). On January 19, 2022, Judge Gilstrap dismissed Lyft from the case for improper venue. See T-Mobile Texas Case, ECF No. 334. AGIS Software's claims against T-Mobile and WhatsApp in the Eastern District of Texas have been dismissed. See id., ECF Nos. 169, 220. Further, AGIS Software's case against Uber has been stayed pending dismissal following settlement. See id., ECF No. 355.

AGIS Software's patent infringement actions filed in 2021 were the third in a series of patent infringement litigation campaigns it has brought in the Eastern District of Texas. See AGIS Software Dev. LLC v. Apple, Inc., No. 2:17-cv-516 (E.D. Tex.); AGIS Software Dev. LLC v. HTC Corp., No. 2:17-cv-514 (E.D. Tex.); AGIS Software Dev. LLC v. Huawei Device USA Inc., et al.,



(E.D. Tex.); and AGIS Software Dev. LLC v. LG Elecs., Inc., No. 2:17–cv–515 (E.D. Tex.) (collectively, "AGIS I Cases"); see also AGIS Software Dev. LLC v. Google LLC, No. 2:19–cv–361 (E.D. Tex.); AGIS Software Dev. LLC v. Samsung Elecs. Co., Ltd. et al., No. 2:19–cv–362 (E.D. Tex.); and AGIS Software Dev. LLC v. Waze Mobile Limited, No. 2:19–cv–359 (E.D. Tex.) (collectively, "AGIS II Cases"). AGIS Software asserted the '970 Patent in some of its prior Eastern District of Texas lawsuits. The AGIS II Cases, which AGIS Software filed in 2019 and one of which (No. 2:19–cv–361) involves the '970 Patent, are still pending in the Eastern District of Texas.

On June 16, 2021, while AGIS Software's Eastern District of Texas action against Lyft was still pending, Lyft filed the present action for declaratory judgment of noninfringement of the same patents asserted against it in the Texas case. *See* Complaint, ECF No. 1. On September 27, 2021, AGIS Software moved to dismiss this action under Rule 12(b)(2) for lack of personal jurisdiction, which the Court granted with leave to amend. *See* ECF Nos. 32, 61. On October 5, 2021, AGIS Software moved to transfer this action to the Eastern District of Texas. *See* Motion, ECF No. 34.

AGIS Software argues that this case should be transferred to the Eastern District of Texas because (1) this action could have been brought there; (2) judicial economy favors transfer because Judge Gilstrap is familiar with the Asserted Patents; (3) the Eastern District of Texas is more convenient for the parties, party witnesses, and third-party witnesses; (4) sources of proof are located in both the Northern District of California and the Eastern District of Texas and can easily be transferred electronically; (5) Northern District of California courts are more congested than Eastern District of Texas courts; and (6) Texas has a substantial local interest in adjudicating a case involving a Texas corporation like AGIS Software. *See* Motion, ECF No. 34; Reply, ECF No. 50. In response, Lyft argues that transfer is unwarranted since (1) the interest of justice weighs against transferring to the Eastern District of Texas since Judge Gilstrap already dismissed the patent infringement action in that district; (2) Lyft's choice of forum takes precedence; (3) the convenience of the parties, party witnesses, and third-party witnesses weighs against transfer; (4) the bulk of relevant evidence is in the Northern District of California where the Accused Products were developed; and (5) the Northern District of California has a substantial interest in a controversy involving a resident



2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

LEGAL STANDARD II.

A district court may transfer a case in the interest of justice for the convenience of the parties and of the witnesses. 28 U.S.C. § 1404(a). In a case not involving a forum-selection clause, a district court considering a § 1404(a) motion "must evaluate both the convenience of the parties and various public-interest considerations." Atl. Marine Const. Co. v. U.S. Dist. Court for W. Dist. of Texas, 571 U.S. 49, 62 (2013). The parties' convenience and other private interests entail consideration of a number of factors including the plaintiff's choice of forum, the parties' contacts with the forum, the contacts relating to the plaintiff's claims in the chosen forum, the "relative ease of access to sources of proof; availability of compulsory process for attendance of unwilling, and the cost of obtaining attendance of willing, witnesses; . . . and all other practical problems that make trial of a case easy, expeditious and inexpensive." *Id.* at 62 n.6 (quoting *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 241 n.6 (1981)); Jones v. GNC Franchising, Inc., 211 F.3d 495, 498–99 (9th Cir. 2000). "Public-interest factors may include 'the administrative difficulties flowing from court congestion; the local interest in having localized controversies decided at home; [and] the interest in having the trial of a diversity case in a forum that is at home with the law." Atl. Marine, 571 U.S. at 62 n.6 (quoting *Piper Aircraft*, 454 U.S. at 241 n.6) (alteration in original).

A transfer is not appropriate if it "merely shift[s] rather than eliminate[s] the inconvenience." Decker Coal Co. v. Commonwealth Edison Co., 805 F.2d 834, 843 (9th Cir. 1986). The party seeking to transfer a case bears the burden of demonstrating that the balance of convenience and interests of justice factors "clearly favor transfer." Lax v. Toyota Motor Corp., 65 F.Supp.3d 772, 781 (N.D. Cal. 2014).

III. **DISCUSSION**

The parties dispute whether two categories of factors favor transfer to the Eastern District of Texas: (1) private interest factors and (2) public interest factors. The Court considers each category of factors in turn.

A. **Private Interest Factors**

The Court first considers the "private interest factors" disputed by the parties. Atl. Marine, 571 U.S. at 62 n.6. The parties dispute whether (1) Lyft's choice of forum; (2) convenience for the



parties and party witnesses; (3) convenience for third-party witnesses; (4) the relative ease of access to sources of proof favor transfer to the Eastern District of Texas; and (5) the cost of litigation. The Court considers each factor in turn.

i. Plaintiff's Choice of Forum

The parties dispute whether Lyft's choice of the Northern District of California in filing this declaratory judgment action weighs against transfer. A plaintiff's choice of forum is normally entitled to "substantial weight." *See Fitbit, Inc. v. Koninklijke Philips N.V.*, 336 F.R.D. 574, 588 (N.D. Cal. Aug. 26, 2020) (citing *Williams v. Bowman*, 157 F.Supp.2d 1103 (N.D. Cal. 2001)); *Lou v. Belzberg*, 834 F.2d 730, 739 (9th Cir. 1987). In patent actions, courts generally discount a plaintiff's choice of forum when "the central facts of the lawsuit occur[red] outside the plaintiff's chosen forum." *See id.* (quoting *Sorensen v. Daimler Chrysler AG*, No. C 02–4752 MMC, 2003 WL 1888866, at *3 (N.D. Cal. Apr. 11, 2003)). A defendant must make a "strong showing of inconvenience to warrant upsetting the plaintiff's choice of forum." *Decker Coal*, 805 F.2d at 843.

AGIS Software argues that Lyft's choice of forum should be accorded no weight because Lyft filed this duplicative declaratory judgment case nearly five months after AGIS Software filed its infringement suit in the Eastern District of Texas. *See* Motion, ECF No. 34 at 6–7. Lyft argues that courts give deference to a plaintiff's choice of forum unless the operative facts did not occur there and the forum has no interest in the parties or the subject matter. *See* Opposition, ECF No. 49 at 4–5. Lyft argues that no such exception applies here, given that Lyft is based in and developed the Accused Products in the Northern District of California. *See id*.

The Court agrees with Lyft. AGIS Software's Texas suit against Lyft has been dismissed, and AGIS Software fails to point to any authority that first-to-file considerations should outweigh Lyft's choice of forum in such a circumstance. Lyft provides ample authority that a plaintiff's choice of forum is generally afforded deference, particularly in this case where Lyft is at home in the forum and the accused products were developed here. *See Rare Breed Distilling v. Heaven Hill Distilleries*, No. C–09–04728 EDL, 2010 WL 335658, at *3 (N.D. Cal. Jan. 22, 2010) ("Plaintiff's choice of forum weighs heavily against transfer. This is especially true when a plaintiff chooses to



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

