



STARK, U.S. District Judge:

On March 16, 2020, Plaintiff Finjan LLC (“Finjan” or “Plaintiff”) filed suit against Trustwave Holdings, Inc. (“Trustwave”) and Trustwave’s parent entity, Singapore Telecommunications Limited (“Singtel”) (collectively, “Defendants”), for infringement of U.S. Patent No. 8,141,154 (the “’154 patent”) based on Trustwave’s sales of certain cybersecurity products. (See D.I. 1)¹ The ’154 patent generally relates to the protection of computers from malicious code such as computer viruses. (See D.I. 48 at 1; D.I. 28 Ex. A)

On August 5, 2020, Singtel filed a motion to dismiss for lack of personal jurisdiction pursuant to Federal Rule of Civil Procedure 12(b)(2). (D.I. 21) Finjan filed a First Amended Complaint (“FAC”) on August 19, 2020, in which it added a claim against Singtel for breach of contract. (D.I. 28 ¶¶ 101-15) Singtel subsequently renewed its motion to dismiss (D.I. 31), directing it to Finjan’s FAC, and the Court denied without prejudice the earlier motion directed to the original complaint (see D.I. 63). On April 30, 2021, Singtel filed a motion to stay Finjan’s breach of contract claim against it pending resolution of Finjan’s breach of contract claim which is presently proceeding against Trustwave in Delaware Superior Court. (D.I. 64)

The Court heard argument on Singtel’s motion to dismiss the FAC (D.I. 31) on May 7, 2021 (see D.I. 101) (“May 7 Tr.”). At the conclusion of the hearing, the Court granted Finjan’s request for jurisdictional discovery (see *id.* at 45-47) and took the motion to dismiss under advisement (see D.I. 68). After the parties engaged in jurisdictional discovery, they submitted supplemental briefing on the motion to dismiss on August 17 and September 1. (See D.I. 95, 100) On September 13, the Court heard argument again, on the motion to dismiss and on

¹ All references to the docket index (“D.I.”) are to the docket in the instant action, C.A. No. 20-371-LPS, unless otherwise indicated.

Singtel's motion to stay (*see* D.I. 106 ("Sept. 13 Tr."); *see also* D.I. 105 (post-hearing status report)).

For the reasons set forth below, the Court will deny in part and grant in part Singtel's motion to dismiss and will grant Singtel's motion to stay.

I. BACKGROUND

Since its founding in 1997, Finjan has developed technologies directed at detecting cybersecurity threats, for which it has been granted numerous patents. (D.I. 28 ¶ 19) In 2009, Finjan sold its manufacturing business to M86 Security, Inc. ("M86"), also licensing a subset of its patents to M86. (D.I. 48 at 3) The '154 patent was not among the patents licensed to M86, as the '154 patent application did not publish until September 30, 2010 and the patent did not issue until March 20, 2012. (*Id.* at 3-4; D.I. 28 ¶ 73) In March 2012, M86 was acquired by Trustwave. (D.I. 48 at 4) Leading up to the Trustwave-M86 transaction, the parties re-negotiated certain aspects of the 2009 agreement between Finjan and M86. (*Id.*) Thereafter, on March 6, 2012, Trustwave and Finjan entered into the 2012 Amended and Restated Patent License Agreement (the "2012 Agreement"). (*Id.*)

The parties point to several provisions of the 2012 Agreement that are relevant to the Court's analysis of Singtel's motion to dismiss.

Section 1.1 defines an "Acquir[or]" as "[t]he Person or group of Persons acquiring the Licensee or its business." (D.I. 28 Ex. B § 1.1) There is no dispute that Singtel, as the party which acquired Trustwave, is the "Acquiror" under this definition in the 2012 Agreement.

Section 2.5 provides that "[i]n the event of an Acquisition of Licensee, all the provisions of this Agreement applicable to Licensee . . . shall be deemed to apply to the Acquir[or]." (*Id.* § 2.5) Finjan contends that because Trustwave was the Licensee, and Singtel is the Acquiror,

“all the provisions of [the 2012] Agreement applicable to [Trustwave] . . . shall be deemed to apply to [Singtel].” (D.I. 49 at 10)

Singtel disagrees with this interpretation of Section 2.5, highlighting two provisions that, it contends, provide context for Section 2.5. (*See* Sept. 13 Tr. at 12, 15-16) Section 2.1 grants a license to “the Licensee” over the “Licensed Patents” but does not specifically mention Acquirors. (D.I. 28 Ex. B § 2.1) Section 2.4 provides that the Licensee may transfer the licenses granted under the 2012 Agreement, provided that “[e]ach Permitted Transferee shall, as a condition to the effectiveness of such Transfer, assume in writing all of the rights and obligations of such Licensee hereunder through the execution of an assignment and assumption agreement.” (*Id.* § 2.4)

The 2012 Agreement also contains a forum selection clause, Section 6.4.1, which provides:

The parties hereto hereby irrevocably submit to the exclusive jurisdiction of any federal or state court located within the State of Delaware over any dispute arising out of or relating to this Agreement and each party hereby irrevocably agrees that all claims in respect of such dispute or any suit, action proceeding related thereto may be heard and determined in such courts.

(*Id.* § 6.4.1)

Finally, Section 6.9 provides:

This Agreement shall be binding upon the parties and their successors and assigns and inure to the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any person or entity not a party to this Agreement.

(*Id.* § 6.9)

On August 31, 2015, Trustwave was acquired by Singtel, a telecommunications company based in Singapore. (D.I. 28 ¶¶ 5, 9) Singtel alleges that it has no offices or employees in the United States, has not sold the accused products in the United States, and plays no role in the design, manufacture, marketing, pricing, or sale of the accused products sold by Trustwave in the United States. (*See* D.I. 32 at 1)

During jurisdictional discovery, Singtel produced the 2015 Merger Agreement between Singtel and Trustwave (the “2015 Agreement”), along with related disclosures. (*See* D.I. 95 at 3) Section 1.2 of the 2015 Agreement provides that, upon the merger becoming effective, Trustwave (“the Company”) will become a subsidiary of Singtel (“the Acquiror”). (D.I. 95 Ex. 2 § 1.2)

Singtel also produced a Company Disclosure Letter associated with the 2015 Agreement. (*See* D.I. 95 Ex. 3) Schedule 2.18 of Trustwave’s Company Disclosure Letter identifies the 2012 Finjan-Trustwave Agreement as a “Material Contract.” (*Id.* at 474) Section 2.18 of the 2015 Agreement (entitled “Material Contracts”) references the contracts in Schedule 2.18, stating that “[e]xcept for this [2015] Agreement and the Contracts specifically identified in . . . Schedule 2.18 of the Company Disclosure Letter . . . , neither the Company nor any Subsidiary is a party to or bound by any of the following [enumerated types of] Contracts.” (*Id.* Ex. 2 § 2.18)

Finally, Section 5.6(c) of the 2015 Agreement provides that:

[Trustwave] shall use its reasonable best efforts to obtain, prior to the Closing, the entry by [Trustwave] and [Finjan] into a supplemental agreement relating to the [2012 Agreement] . . . to confirm that neither the Merger, nor subsequent assignment of the [2012 Agreement] to [Singtel] or any [o]f its Subsidiaries, will result in a diminution of rights under the [2012 Agreement], or royalty obligations for [Trustwave, Singtel] or any of its Subsidiaries.

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