IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

AGIS SOFTWARE DEVELOPMENT, LLC,

Plaintiff,

v.

HTC CORPORATION,

Defendant.

CASE NO. 2:17-CV-0514-JRG (LEAD CASE)

JURY TRIAL DEMANDED

DEFENDANT HTC CORPORATION'S REPLY IN SUPPORT OF ITS MOTION TO RECONSIDER DENIAL OF MOTION TO TRANSFER VENUE PURSUANT TO 28 U.S.C. § 1404(A) TO THE NORTHERN DISTRICT OF CALIFORNIA (DKT. NO. 77)

AGIS's Opposition (Dkt. No. 101) argues, in essence, that HTC Corp. should have seen through and proven wrong AGIS's factual misrepresentations earlier in this case. And, because HTC Corp. only discovered those misrepresentations later, through ordinary discovery, AGIS should be able to hold on to its ill-gotten gains. To obscure the logic of its position, AGIS fills its Opposition with even more misrepresentations as well as several other irrelevant facts. For the reasons set forth in its Motion to Reconsider (Dkt. No. 97), HTC Corp. respectfully requests that the Court reconsider its Order (Dkt. No. 77).¹

I. AGIS'S ATTEMPT TO MUDDY THE FACTUAL RECORD CANNOT HIDE THE INCONSISTENCIES IN ITS EARLIER REPRESENTATIONS.

A. AGIS's Opposition to the Original Motion to Transfer Contained Misrepresentations and Outright Falsehoods.

AGIS claims that its representations during venue briefing "are true and were made with candor; HTC does not identify any inconsistencies in the facts presented by AGIS." (Opp'n II at 2.) And yet, in arguing that it has ties to this District, AGIS made this representation to the Court in its original Opposition:

AGIS is a Texas company that is operating its business in this District and employs individuals that reside in Texas.

(Opp'n I at 29.)² The first half of this statement is at best an exaggeration, and the second half of

this statement is outright false.

AGIS's statement that it "operat[es] its business in this District" is made tongue-in-cheek.

(See Mot. II

at 5 (citing deposition transcript of Malcolm Beyer at 548:5–550:14).)

(Id.)

¹ For clarity, this paper cites HTC Corp.'s original Motion to Transfer (Dkt. No. 29) as "Motion I," AGIS's Opposition thereto (Dkt. No. 40) as "Opposition I," the Motion to Reconsider (Dkt. No. 97) as "Motion II," and AGIS's Opposition thereto (Dkt. No. 101) as "Opposition II." ² "AGIS" here refers to AGIS Software Development, LLC. (Opp'n I at 1.)

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(See Id. at 4–5 (collecting deposition citations showing that

).) AGIS's office in this District supposedly

contains its "books and records,"

(Id.)

. (*See Id.* at 5 (citing deposition transcript of Malcom Beyer at 518:2–525:18 and 550:22–551:23).) Thus, AGIS's presence in this District amounts to an office that has no one in it, and that was specifically designed for no one to be there.

More troublesome, AGIS's statement that it "employs individuals that reside in Texas" is outright false. We now know that _______. (*See* Mot. II at 5 (collecting deposition citations showing that ______).) Compounding its malfeasance, AGIS used this misstatement to distinguish precedent cited by HTC Corp. on the ground that the precedent involved a case "where the plaintiff had no employees in Texas." (Opp'n I at 29.)

AGIS, after having been called out for this very misrepresentation in HTC Corp.'s opening paper (*see* Mot. II at 8), had the audacity to tell the Court that "HTC does not identify any inconsistencies in the facts presented by AGIS." AGIS made a statement that was demonstrably false; it did so to distinguish precedent and convince this Court to find local interests in adjudicating this dispute. The Court did so, and found that the local interests factor weighed against transfer. (*See* Order at 20–21.) AGIS's misrepresentation thus materially contributed to the outcome of the Order. This alone is sufficient reason for the Court to reconsider the Order and now reach the opposite outcome.

B. AGIS Presents Several Irrelevant Arguments and Facts in an Attempt to Distract from Its Conduct.

AGIS splatters the record with arguments and facts that are unresponsive to HTC Corp.'s Motion, and are otherwise irrelevant.

After claiming that facts exist that contradict HTC Corp.'s characterizations, AGIS leads

with this: (Opp'n II at 11 (citing deposition transcript of Mr. Armstrong).) Three other times AGIS highlights this supposedly contradictory evidence about (Opp'n II at 2, 7, 10.) But AGIS never explains what is contradictory about this evidence. HTC Corp. has never made any representations about (See Mot. II at 3, 10, 13.) While came up during questioning by counsel for co-defendant LG based on papers filed in relation to venue transfer for LG (Ex. 1, Armstrong Dep. Tr. at 217:23–220:12), this has nothing to do with HTC Corp. This is a strawman argument that AGIS erected and then four times struck down. Several portions of Margaret Beyer's deposition testimony that AGIS criticizes HTC Corp. for not citing, ironically, only further prove the lack of legitimate ties to this District. Mrs. Beyer admitted that . (Ex. 2, Margaret Beyer Dep. Tr. at 37:14–15.) As to the "books and records" in this District, Mrs. Beyer could state only that (*Id.* at 37:17–18.) When pressed further, Mrs. Beyer clarified that the only documents she could identify are (*Id.* at 47:10–49:11.) Regarding the office, Mrs. Beyer explained that (Id. at 39:16–40:14.) Mrs. Beyer also described the

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remote-operation of the office. (Id. at 37:19-25 ("

").)

While Mrs. Beyer admittedly does provide a narrative that AGIS opened its office in this District (Opp'n II at 11), that narrative is overwhelmingly contradicted by other, verifiable facts: For example: AGIS was created and was assigned the patents in the two weeks prior to this suit; despite plans of growth,

; and

(Mot. II at 5, 8.) In sum,

Mrs. Beyer tells an unverifiable, self-serving narrative contradicted by verifiable facts.

None of the other supposed factual omissions by HTC Corp. related to Mrs. Beyer are relevant. As to her testimony about Mr. Sietsema (Opp'n II at 2), that testimony is wholly irrelevant to HTC Corp.'s Motion. HTC Corp.'s only representation with respect to Mr. Sietsema is that ________, per AGIS's agreement (see Mot. II at 10), which Mrs. Beyer does not contradict. Regarding "the company's long-standing ties to Texas and the District" (Opp'n II at 2), Mrs. Beyer gave no testimony as to ties between the plaintiff in this case, AGIS, and this District, other than its

None of the supposed factual omissions by HTC Corp. related to Mr. Blackwell are relevant, or in some cases even existent. First, as to Mr. Blackwell's testimony

(Opp'n II at 11 (citing

Blackwell Dep. Tr. at 79:25–80:2)), Mr. Blackwell testified to no such thing. He testified as follows: "

(See

Ex. I to Opp'n II, Blackwell Dep. Tr. at 79:21-80:2.) Hence, Mr. Blackwell appears to have

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