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

	)	
AGIS Software Development, LLC,	)	
	)	
Plaintiff,	)	
	)	
V.	)	(
	)	
ZTE CORPORATION, ZTE (USA) INC.,	)	
AND ZTE (TX), INC.,	)	
	)	
Defendants.	)	

Case No. 2:17-CV-00517-JRG

#### DEFENDANTS ZTE (TX), INC.'S AND ZTE (USA) INC.'S REPLY IN SUPPORT OF MOTION TO DISMISS PLAINTIFF'S AMENDED COMPLAINT FOR IMPROPER VENUE OR IN THE ALTERNATIVE TO TRANSFER

## **TABLE OF CONTENTS**

I.	The Amended Complaint from AGIS Should be Dismissed for Improper Venue					
	A.	Venue is Improper under the First Prong of 28 U.S.C. § 1400(b)				
	B.	. Venue is Improper under the Second Prong of 28 U.S.C. § 1400(b)				
		1.		loes not have a "Regular and Established Place of Business" Eastern District of Texas		
			a.	Third Party Vendor, iQor, Is Not a ZTA Place of Business		
			b.	ZTA Employee's Homes Are Not ZTA Places of Business		
II.	If Not	Dismis	sed, Tra	unsfer Is Proper Here to the Northern District of California		
	A.	Private	e Factor	: Access to Sources of Proof Favors Transfer to the NDCA		
	B.	Private	e Factor	: Convenience of Witness Favors Transfer to the NDCA		
	C.	Public	Factor:	Transfer Minimizes Congestion and Promotes Economy 10		
III.	CONC	CLUSIC	N: THI	S CASE SHOULD BE DISMISSED OR TRANSFERRED 10		

## **TABLE OF AUTHORITIES**

**Federal Cases** 

Accord Action Comme'n Sys., Inc. v. Datapoint Corp., 426 F. Supp. 973, 974-75 (N.D. Tex. 1977)
<i>Advanced Ground Info. Sys., Inc. v. Life360, Inc.</i> No. 9:14-cv-80651-DMM (S.D. FL. July 11, 2014)1, 9
AGIS Software Dev. LLC v. HTC Corp., 2:17-cv-00514-JRG (Dkt. No. 26) (E.D. Tex. Dec. 15, 2017)10
<i>Am. GNC Corp. v. ZTE Corp.</i> No. 4:17-cv-00620-ALM-KPJ, (E.D. Tex. No. 7, 2017)5
<i>Berry v. Pilgrim's Pride Corp.</i> No. 2:16-CV-409-JRG, 2016 WL 6092701, at *3 (E.D. Tex. Oct. 19, 2016)10
Cal. Irrigation Servs., Inc. v. Barton Corp., 654 F. Supp. 1, 2-3 (N.D. Cal. 1985)
<i>Diem LLC v. BigCommerce, Inc.</i> , ., No. 6:17-CV-186, 2017 WL 3187473 (E.D. Tex. Jul. 26, 2017)
<i>In re BigCommerce, Inc.,</i> No. 18-120, Dkt No. 2-1 (December 22, 2017)
<i>In re Cray</i> , 871 F.3d 1355, 1362, No. 2017-129 (Fed. Cir. Sept. 21, 2017)1, 4, 8
<i>In re ZTA (USA) Inc.,</i> No. 18-113, *6 (Dkt. No. 2-1) (Fed. Cir. November 30, 2017)2
<i>Oyster Optics, LLC v. Coriant Am. Inc.,</i> No. 2:16-CV-1302, 2017 WL 4225202, at *5 (E.D. Tex. Sep. 22, 2017)
<i>Personal Audio, LLC v. Google, Inc.,</i> 1:15-cv-350 (Dkt. 103) (E.D. Tex. 2017)1, 2, 6
<i>Realtime Data LLC v. Barracuda Networks Inc.,</i> 2017 WL 4791970, at *3 (E.D. Tex. Oct. 24, 2017)10
<i>Stonite Prods., Co. v. Melvin Lloyd Co.,</i> 315 U.S. 561 (1942)

## **Federal Statutes**

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#### Case 2:17-cv-00517-JRG Document 51 Filed 01/19/18 Page 5 of 16 PageID #: 605

It seems inescapable that forum shopping led AGIS to this District.<sup>1</sup> In its opposition brief, AGIS seeks venue in this District over two ZTE entities, ZTE (TX) Inc. ("ZTX") and ZTE (USA) Inc. ("ZTA), neither of which are located here. ZTX is a California-based company with four offices in the US, including its principal place of business in Milpitas, California and an office in the Western District of Texas—nothing in this District. And, ZTA is a New Jersey company with its principal place of business located in the Northern District of Texas—again, nothing in this District. AGIS's only argument that venue is proper for ZTX in this District is that ZTX is incorporated in Texas, but AGIS concedes that venue must be over both ZTX and ZTA and concedes that ZTA is not incorporated in Texas. As to ZTA, AGIS also argues that (1) a third-party vendor, iQor, establishes venue for ZTA (however, this is not so) and that (2) ZTA employees living in this District would establish venue for ZTA (but, again, this is also not so).<sup>2</sup>

If this case is not dismissed for improper venue, transfer is alternatively sought, but AGIS opposes transfer from this District to the more appropriate and convenient Northern District of California (NDCA). Yet, all private and public interest factors—access to evidence, convenience of parties and witnesses, compulsory process, court congestion, and local interest—favor transfer to the NDCA. AGIS points towards no material key witnesses located here, only speculates about possible third-party witnesses here, and cites only ephemeral ties here. Yet, source code and evidence as well as third parties pertinent to this matter are located in the NDCA. And, the

<sup>&</sup>lt;sup>1</sup> A mere twenty days before bringing this action in this District, AGIS Software Development, LLC ("AGIS") was formed and incorporated in Texas. And, two months prior to that, AGIS's sister company (under the name "Advanced Ground Information Systems, Inc.") was litigating in the Southern District of Florida with patents from the same family as asserted here. Once the Florida matter was resolved, in a loss (with non-infringement and attorneys' fees awarded against them for almost \$750,000 due to litigating "an exceptionally weak case"), AGIS then sought this forum. *See* Ex. A ("While I stop short of finding of bad faith, continued assertion of these claims seemed designed to extract settlement not based upon the merits of the claim but on the high cost of litigation.").

<sup>&</sup>lt;sup>2</sup> See *Personal Audio, LLC v. Google, Inc.*, 1:15-cv-350 (Dkt. 103) (E.D. Tex. 2017); and *In re Cray*, 871 F.3d 1355, 1362, No. 2017-129 (Fed. Cir. Sept. 21, 2017).

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