IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

PERSONAL AUDIO, LLC,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civil Action No. 17-1751-CFC-CJB
	)	
GOOGLE LLC,	)	
	)	
Defendant.	)	

MEMORANDUM ORDER

Presently pending before the Court in this patent infringement case is Defendant Google LLC's ("Defendant" or "Google") motion seeking a transfer of venue to the United States District Court for the Northern District of California ("Northern District of California"), pursuant to 28 U.S.C. § 1404(a) (the "Motion"). (D.I. 119) Plaintiff Personal Audio, LLC ("Plaintiff" or "Personal Audio") opposes the Motion. For the reasons set forth below, Defendant's Motion is DENIED.

I. BACKGROUND

A. The Parties and the Allegations

Plaintiff is a Texas limited liability company with its principal place of business in Nederland, Texas. (D.I. 128 at ¶ 2) The company was founded in 1996 by a prolific inventor, James Logan. (D.I. 38 at ¶¶ 20-22) Mr. Logan had an idea for an audio player that delivers personalized audio content based on a user's prior listening habits or selections, and through the company, he sought to develop, manufacture, and sell this idea. (*Id.* at ¶¶ 21-22) Mr. Logan quickly enlisted the help of Daniel Goessling, a software developer, and Charles Call, a patent attorney, to develop the invention and obtain patent protection for it. (*Id.* at ¶¶ 23-24)

United States Patents Nos. 6,199,076 (the "'076 patent") and 7,509,178 (the "'178 patent", and collectively with the '076 patent, the "asserted patents") ultimately issued as a result of their work (on March 6, 2001 and March 24, 2009, respectively). (*Id.* at ¶¶ 25-29) The asserted patents are related and share a common specification; the '076 patent is entitled "Audio Program Player Including a Dynamic Program Selection Controller" and the '178 patent is entitled "Audio Program Distribution and Playback System." (D.I. 147, exs. A-B) Mr. Logan, Mr. Goessling, and Mr. Call are listed as co-inventors on both patents.[1] (*Id.*) Personal Audio holds all substantial rights and interest in and to the patents, (D.I. 38 at ¶¶ 2-3, 39), which expired in October 2016, (D.I. 121 at ¶ 4).

Presently, Personal Audio employs only two individuals: Brad Liddle, its Chief Executive Officer, and Erin Davis, an office manager. (D.I. 128 at ¶¶ 1, 4) Mr. Liddle resides in Allen, Texas, and works out of Personal Audio's offices in Plano, Texas. (*Id.* at ¶ 3) Ms. Davis resides and works in Nederland, Texas. (*Id.* at ¶ 4) Personal Audio's documents are located in Plano and Nederland; these include original documents/notes relating to the inventions and documents relating to any prior litigations involving the asserted patents. (*Id.* at ¶ 6)

Google was a Delaware corporation until 2017 and is now a Delaware limited liability company (or "LLC"); its headquarters are in Mountain View, California (located in the Northern District of California). (D.I. 38 at ¶ 6; D.I. 121 at ¶ 2; D.I. 142) Google manufactures, uses, offers and/or sells products and services including Google Play Music and software provided with it. (D.I. 38 at ¶ 53; D.I. 109 at ¶ 53)

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[1] Mr. Logan resides in New Hampshire, Mr. Goessling resides near Boston, Massachusetts and Mr. Call resides in Chicago, Illinois. (D.I. 41-6; D.I. 41-7; D.I. 41-8; D.I. 41-9; D.I. 128 at ¶ 12)

The majority of Google employees who worked on Google Play Music (those responsible for engineering, marketing, sales, finance, design and development) prior to October 2016 did so at Google's offices in Mountain View and San Bruno, California (also located in the Northern District of California). (D.I. 120 at 3; D.I. 121 at ¶¶ 5-6)[2] Most of those people still work at Google's headquarters in Mountain View or its offices in San Bruno, but a few are now based in New York. (D.I. 121 at ¶ 8) Documents relating to Google Play Music (like source code, documents relating to accused features and documents relating to business planning, marketing, promotion and usage metrics) are primarily located in or maintained by Google employees in Mountain View and San Bruno. (*Id.* at ¶¶ 9-10)

In this action, Personal Audio alleges that Google directly infringes the asserted patents (through the manufacture, use, sale and offers to sell Google Play Music and related software, which is available as a mobile, computer or tablet application), and indirectly infringes the patents (by, for example, providing its customers with devices like a smartphone or tablet and encouraging them to load Google Play Music and related software onto the devices "in an infringing manner or to create and use an infringing device" or contracting with vendors and others to sell or provide infringing devices to others that are preloaded with Google Play Music). (D.I. 38 at ¶¶ 53, 57, 68-69, 73-74, 81-82)

B. Procedural History

On September 15, 2015, Personal Audio filed this action against Google in the United States District Court for the Eastern District of Texas ("Eastern District of Texas"), alleging infringement of the asserted patents. (D.I. 1 at ¶¶ 1-4) Prior to filing the instant lawsuit,

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[2] There are approximately two dozen Google employees based in the company's New York offices who, prior to October 2016, worked on what are asserted by Google to be non-accused aspects of Google Play Music. (D.I. 120 at 3 n.3; D.I. 121 at ¶ 7)

Personal Audio had asserted the '076 patent and '178 patent in six other litigations in the Eastern District of Texas. (D.I. 128 at ¶ 7)

On September 29, 2015, Google filed a motion to stay the case pending *inter partes* review proceedings (involving certain claims of both asserted patents) that had been instituted by the Patent Trial and Appeal Board ("PTAB") of the United States Patent and Trademark Office. (D.I. 9) The District Court in the Eastern District of Texas (the "Eastern District of Texas Court") granted Google's motion to stay, (D.I. 17), over Personal Audio's opposition, (D.I. 15). On September 27, 2016, following the PTAB's issuance of its Final Written Decisions (finding certain of the instituted claims to be unpatentable and upholding certain other instituted claims as patentable), Personal Audio moved to lift the stay. (D.I. 26) Google opposed, requesting instead that the Eastern District of Texas Court keep the stay in place pending the completion of the appeals of those decisions. (D.I. 27) On January 12, 2017, the Eastern District of Texas Court granted Personal Audio's motion to lift the stay, concluding, *inter alia*, that "[t]here is a substantial risk that Personal Audio will be unduly prejudiced if the court continues the stay." (D.I. 31 at 10)

Google subsequently filed a motion to transfer the case to the Northern District of California, pursuant to 28 U.S.C. § 1404(a), (D.I. 41), as well as a motion seeking dismissal of the case due to improper venue and failure to state a claim, pursuant to Federal Rules of Civil Procedure 12(b)(3) and 12(b)(6), (D.I. 42). The Eastern District of Texas Court denied both motions. (D.I. 66; D.I. 71)

On May 22, 2017, the Supreme Court of the United States issued its decision in *TC Heartland LLC v. Kraft Food Grp. Brands LLC*, 137 S. Ct. 1514 (2017). In that case, the Supreme Court concluded that, pursuant to 28 U.S.C. § 1400(b), a domestic corporation may be

sued in a patent case only in a district: (1) in which it is incorporated; or (2) in which it has a regular and established place of business and in which it has committed acts of infringement. 137 S. Ct. at 1516-21. A few days later, Google filed a new motion to dismiss based on improper venue in light of *TC Heartland*; it argued that because it was incorporated in Delaware and did not have a regular and established place of business in the Eastern District of Texas, venue in the Eastern District of Texas was not proper. (D.I. 73)

On June 20, 2017, the Eastern District of Texas Court stayed discovery and other deadlines, including those related to claim construction briefing, pending resolution of Google's new motion to dismiss. (D.I. 78) Then on December 1, 2017, that Court granted-in-part Google's motion, concluding that venue in the Eastern District of Texas was improper. (D.I. 103) Instead of dismissing the case, however, the Eastern District of Texas Court exercised its discretion and determined to transfer the case to this District. (*Id.* at 23-24) The Court explained that while neither party had requested a transfer as part of their briefing on the new motion to dismiss, a court may *sua sponte* transfer a case filed in an improper venue to a district where venue is proper, pursuant to 28 U.S.C. § 1406(a). (*Id.* at 22-24) The Eastern District of Texas Court found that transfer to a "known proper venue" (e.g., this District) would avoid unfairly prejudicing Personal Audio, because: (1) transfer (in lieu of dismissal) would not force Personal Audio to relinquish three years of potential damages pursuant to Section 286 of the Patent Act; and (2) transfer (in lieu of dismissal) would mitigate further undue delay as to a case that had "already dragged on for years due to inter partes reviews and the time spent in this court on this venue fight, extended in part by the delay caused by Tropical Storm Harvey." (*Id.* at 23)

After the case was transferred to this District, it was assigned to the Vacant Judgeship docket on December 13, 2017, and was referred to the Court "for handling through case-

dispositive motions[,]" including "deciding non-dispositive matters and making recommendations as to the resolution of dispositive matters[.]" (Docket Item, December 13, 2017)[3] On January 10, 2018, Google filed an Answer to Personal Audio's operative Amended Complaint. (D.I. 109) Google then filed the instant Motion on February 9, 2018. (D.I. 119) The parties completed briefing on the Motion on March 2, 2018. (D.I. 132)

Meanwhile, the Court entered a Scheduling Order on March 20, 2018, (D.I. 137), held a *Markman* hearing on August 1, 2018, and has addressed certain discovery disputes, (D.I. 195, 221).

II. DISCUSSION

A. Legal Standard

Section 1404(a) of Title 28 provides the statutory basis for a transfer inquiry. It provides that "[f]or the convenience of parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it might have been brought or to any district or division to which all parties have consented." 28 U.S.C. § 1404(a).

The party seeking a transfer has the burden "to establish that a balancing of proper interests weigh[s] in favor of the transfer[.]" *Shutte v. Armco Steel Corp.*, 431 F.2d 22, 25 (3d Cir. 1970) (citation omitted); *see also Jumara v. State Farm Ins. Co.*, 55 F.3d 873, 879 (3d Cir. 1995).[4] That burden is a heavy one: "unless the balance of convenience of the parties is strongly in favor of [the] defendant, the plaintiff's choice of forum should prevail." *Shutte*, 431 F.2d at

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[3] The case has since been assigned to District Judge Colm F. Connolly, with the substance of the referral to the Court remaining the same. (Docket Item, September 10, 2018)

[4] In analyzing a motion to transfer venue in a patent case, it is the law of the regional circuit that applies. *Micron Tech., Inc. v. Rambus Inc.*, 645 F.3d 1311, 1331 (Fed. Cir. 2011).

25 (internal quotation marks and citation omitted); *see also CNH Am. LLC v. Kinzenbaw*, C.A. No. 08-945(GMS), 2009 WL 3737653, at *2 (D. Del. Nov. 9, 2009).

The United States Court of Appeals for the Third Circuit has observed that courts must analyze "all relevant factors" to determine whether "on balance the litigation would more conveniently proceed and the interests of justice be better served by transfer to a different forum." *Jumara*, 55 F.3d at 879 (internal quotation marks and citation omitted). Nevertheless, it has identified a set of private interest and public interest factors that are appropriate to account for in this analysis (the "*Jumara* factors"). The private interest factors to consider include:

> [1] [The] plaintiff's forum preference as manifested in the original choice, [2] the defendant's preference, [3] whether the claim arose elsewhere, [4] the convenience of the parties as indicated by their relative physical and financial condition, [5] the convenience of the witnesses—but only to the extent that the witnesses may actually be unavailable for trial in one of the fora, . . . and [6] the location of books and records (similarly limited to the extent that the files could not be produced in the alternative forum)[.]

Id. (citations omitted). The public interest factors to consider include:

> [1] [T]he enforceability of the judgment, [2] practical considerations that could make the trial easy, expeditious, or inexpensive, [3] the relative administrative difficulty in the two fora resulting from court congestion, [4] the local interest in deciding local controversies at home, [5] the public policies of the fora, . . . and [6] the familiarity of the trial judge with the applicable state law in diversity cases[.]

Id. at 879-80 (citations omitted).

B. Appropriateness of Transferee Venue

The first step in the transfer analysis is to determine whether this action could have been brought in the proposed transferee venue. *Mallinckrodt Inc. v. E-Z-Em Inc.*, 670 F. Supp. 2d 349, 356 (D. Del. 2009). Personal Audio could have properly brought this infringement action in the Northern District of California, as it is not disputed that Google has its principal place of

business there, and alleged infringement occurred there. (D.I. 66 at 5-6; D.I. 120 at 4); *see also* 28 U.S.C. § 1400(b).

C. Application of the *Jumara* Factors

The Court will proceed to analyze the *Jumara* factors and their impact on whether transfer should be granted.

1. Private Interest Factors

a. Plaintiff's original forum preference (and its current preference)

When analyzing the first *Jumara* private interest factor—the "plaintiff's forum preference as manifested in the original choice"—the court should not consider simply the fact of that choice, but the reasons behind the choice. *Pragmatus AV, LLC v. Yahoo! Inc.*, Civil Action No. 11-902-LPS-CJB, 2012 WL 4889438, at *4 (D. Del. Oct. 15, 2012) (citation omitted), *adopted by* 2013 WL 174499 (D. Del. Jan. 16, 2013); *Affymetrix, Inc. v. Synteni, Inc.*, 28 F. Supp. 2d 192, 200 (D. Del. 1998). "If those reasons are rational and legitimate[,] then they will weigh against transfer, as they are likely to support a determination that the instant case is properly venued in this jurisdiction." *Pragmatus*, 2012 WL 4889438, at *4 (internal quotation marks, brackets and citations omitted); *see also Intellectual Ventures I LLC v. Altera Corp.*, 842 F. Supp. 2d 744, 753-54 (D. Del. 2012). However, if the plaintiff's choice is made for an improper reason—such as where it is arbitrary, irrational, or selected to impede the efficient and convenient progress of a case—this factor will likely weigh against transfer. *Pragmatus*, 2012 WL 4889438, at *4 (citation omitted).

This factor, on its face, asks the Court to look at the "plaintiff's forum preference as manifested in [its] *original* choice[.]" *Jumara*, 55 F.3d at 879 (emphasis added).[5] And obviously, Personal Audio's initial or "original" choice was not to file this case here in Delaware; instead it initiated its lawsuit in the Eastern District of Texas. (D.I. 120 at 5; D.I. 124 at 6) Google argues that, as a result, this factor weighs in favor of transfer, (D.I. 120 at 5; D.I. 132 at 2), and that seems right. If we are trying to figure out whether this case should stay in this District or be sent to the Northern District of California, the bare fact that Plaintiff did not originally file the case here seems more friendly to transfer than to a conclusion that the case is best venued here.

But even though the "plaintiff's forum preference as manifested in the original choice" private interest factor goes Google's way, it is worth remembering that, according to *Jumara*, a court should take into account "all relevant factors" in the venue analysis. *Jumara*, 55 F.3d at 879. Surely, in the relatively unusual situation where a case ends up in a venue that a plaintiff did not originally pick, it is "relevant" whether the plaintiff does now wish to remain here—and whether legitimate reasons can be mustered to support *that* preference.

Personal Audio does wish for the case to remain here.[6] It notes that even though Delaware was not its first choice for venue three years ago, in light of the "change [to the

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[5] With regard to the use of this factor, *Jumara* cited to 1A PT. 2 James W. Moore et al., *Moore's Federal Practice* ¶ 0.345[5], at 4363 (2d ed. 1995), which described the relevant private interest as "plaintiff's *initial* choice of the forum in actions originally commenced in the district court[,]" *id.* (emphasis added). *Jumara*, 55 F.3d at 879.

[6] When Personal Audio initiated this action in 2015, the Eastern District of Texas was a legally proper forum under the United States Court of Appeals for the Federal Circuit's then-prevailing interpretation of venue law. And it is certainly understandable why that district would then have been Personal Audio's first choice, as it is the district where: (1) Personal Audio's business is located; and (2) Personal Audio had litigated the asserted patents in six other previously-filed cases (several of which proceeded through claim construction and one of which went to a jury trial). (D.I. 128 at ¶¶ 2, 7)

controlling] law" governing patent venue effected by the *TC Heartland* decision, *now* its view is that Delaware is the best of the remaining options. (D.I. 124 at 6-7 (citing *In re Micron Tech., Inc.*, 875 F.3d 1091 (Fed. Cir. 2017)).

More importantly, Personal Audio points to a few rational and legitimate reasons as to *why* this District is now its first choice. One of those is that this forum is far more convenient for certain identified third-party witnesses, who are located on the East Coast. (D.I. 124 at 6; D.I. 128 at ¶ 8) As will be further discussed below in Section III.C.1.e., that assertion has some merit. Another reason is that Google was incorporated and is now organized under Delaware law. (D.I. 124 at 6) This Court has repeatedly found that it is rational and legitimate for a plaintiff to prefer to maintain a suit against a defendant in its state of incorporation or organization—a district where a plaintiff can have certainty that there will be personal jurisdiction over that defendant. *See, e.g.*, *TSMC Tech., Inc. v. Zond, LLC*, Civil Action No. 14-721-LPS-CJB, 2014 WL 7251188, at *15 (D. Del. Dec. 19, 2014) (citing cases). Contrary to Google's position, there is nothing "arbitrary[or] irrational" about Personal Audio's wish to remain in this District. (D.I. 132 at 3 (citation omitted)) Thus, the aforementioned rational and legitimate reasons supporting Personal Audio's *current* choice of venue support its opposition to the Motion.

In sum, the "plaintiff's forum preference as manifested in the original choice" factor weighs in favor of transfer. But in these unique circumstances, the Court will also consider Plaintiff's "current forum preference" as a relevant factor in the *Jumara* private interest analysis. And that factor weighs against transfer.

b. Defendant's forum preference

As for the second private interest factor—the defendant's forum preference—Google prefers to litigate in the Northern District of California. In analyzing this factor, the Court has similarly "tended to examine whether the defendant can articulate rational, legitimate reasons to support that preference." *Pragmatus*, 2012 WL 4889438, at *6 (citation omitted).

Google cites to a number of legitimate reasons for seeking to transfer this action to the Northern District of California. These include that: (1) the forum is home to its headquarters; and (2) relevant witnesses and evidence are located there. (D.I. 120 at 1, 6) As this Court has often held, the physical proximity of the proposed transferee district to a defendant's principal place of business (and relatedly, to witnesses and evidence potentially at issue in the case) is a clear, legitimate basis for seeking transfer. *See, e.g.*, *Nalco Co. v. AP Tech Grp. Inc.*, C.A. No. 13-1063-LPS, 2014 WL 3909114, at *1 (D. Del. Aug. 8, 2014); *Genetic Techs. Ltd. v. Natera, Inc.*, C.A. No. 12-1737-LPS, 2014 WL 1466471, at *1 (D. Del. Apr. 15, 2014). That logic applies here, and thus the second private interest *Jumara* factor weighs in favor of transfer.[7]

c. Whether the claim arose elsewhere

The third private interest *Jumara* factor asks "whether the claim arose elsewhere." As a matter of law, a claim regarding patent infringement arises "wherever someone has committed acts of infringement, to wit, 'makes, uses, offers to sell, or sells any patented invention' without authority." *McRo, Inc. v. Activision Blizzard, Inc.*, Civil Action No. 12-1508-LPS-CJB, 2013 WL 6571618, at *5 (D. Del. Dec. 13, 2013) (certain internal quotation marks and citations

[7] To the extent that Personal Audio suggests that in the transfer analysis, the movant's choice of forum is automatically entitled to less weight than that given to a plaintiff's choice of forum, (D.I. 124 at 7, 20), the Court has previously explained why it cannot find any support for that proposition in governing Third Circuit case law, *see, e.g.*, *Elm 3DS Innovations LLC v. SK Hynix Inc.*, Civil Action No. 14-1432-LPS-CJB, 2015 WL 4967139, at *6 n.13 (D. Del. Aug. 20, 2015) (citing cases).

omitted), *adopted by* 2013 WL 6869866 (D. Del. Dec. 30, 2013). Nevertheless, as to this factor, this Court typically focuses on the location of the production, design, and manufacture of the accused instrumentalities. *Id.* (citing cases).

Here, it is undisputed that while Google Play Music, the accused product, is sold nationwide (including in Delaware), it was designed and developed by Google in the Northern District of California and is marketed by Google out of that district. (D.I. 120 at 6; D.I. 124 at 8; D.I. 132 at 4) Because it appears that the operative events giving rise to Personal Audio's infringement claims have a far stronger connection to the Northern District of California than to any other district, this factor weighs in favor of transfer. *See Genedics, LLC v. Meta Co.*, Civil Action No. 17-1062-CJB, 2018 WL 417950, at *4 (D. Del. Jan. 12, 2018) (concluding that this factor weighed in favor of transfer where the accused products were sold nationwide but the accused products were designed and developed in the proposed transferee forum, and marketing and instructional material for the products were developed in that forum).

d. Convenience of the parties as indicated by their relative physical and financial condition

In assessing the next private interest factor—"the convenience of the parties as indicated by their relative physical and financial condition"—this Court has traditionally examined a number of issues. These include: "(1) the parties' physical location; (2) the associated logistical and operational costs to the parties' employees in traveling to Delaware (as opposed to the proposed transferee district) for litigation purposes; and (3) the relative ability of each party to bear these costs in light of its size and financial wherewithal." *Audatex N. Am., Inc. v. Mitchell Int'l, Inc.*, C.A. No. 12-cv-139 (GMS), 2013 WL 3293611, at *4 (D. Del. June 28, 2013) (internal quotation marks and citations omitted); *see also McKee v. PetSmart, Inc.*, C.A. No. 12-1117-SLR-MPT, 2013 WL 1163770, at *4 (D. Del. Mar. 20, 2013).

Google argues that because its principal place of business and a significant number of its employees involved with Google Play Music are located in the Northern District of California, that district would be a more convenient place for it to litigate. (D.I. 120 at 7; D.I. 132 at 4-5) The Court agrees that it would.[8]

Even so, other considerations dilute the impact of Google's convenience argument. First, because Google was previously incorporated in Delaware and has now organized its LLC in Delaware (and, thus, has willingly submitted to suit here), it would be hard to conclude that Delaware is a decidedly *inconvenient* location for it to defend a lawsuit. *Altera*, 842 F. Supp. 2d at 756 (citing *Micron Tech., Inc. v. Rambus, Inc.*, 645 F.3d 1311, 1332 (Fed. Cir. 2011)). Second, while Google's employees would face some additional inconvenience were they obligated to travel to Delaware for pre-trial or trial proceedings, the amount of such travel is not likely to be large—particularly if this case does not result in a trial. *See, e.g.*, *Contour IP Holding, LLC v. GoPro, Inc.*, Civil Action No. 15-1108-LPS-CJB, 2017 WL 3189005, at *10 (D. Del. July 6, 2017); *Graphics Props. Holdings Inc. v. Asus Comput. Int'l, Inc.*, 964 F. Supp. 2d 320, 328-29 (D. Del. 2013) ("[A]s a practical matter, regardless of the trial venue, most of the discovery will take place in California or other locations mutually agreed to by the parties. . . . The only events likely to occur in Delaware are the claim construction hearing, [certain] hearing[s] on motions[,] the pretrial conference and trial."). And third, Google is clearly a large, global entity that can easily absorb any increased travel costs. In the third quarter of 2017, for

[8] That said, Google listed by name only three employees whom it described as being "knowledgeable regarding the design, development, operation, financials, and/or marketing of Google Play Music"; of those three, two live in the Northern District of California, but one lives in New York, New York (far closer to Delaware). (D.I. 121 at ¶ 8) Perhaps if it were clearer that many individual California-based Google witnesses would likely be needed for trial (as opposed to just the two referenced here), that might have increased the weight afforded to this factor in Google's favor.

example, its adjusted revenue was more than $27 billion, with $3.4 billion of that allocated to Google Play and related products. (D.I. 128 at ¶ 9) Nothing in the record suggests that litigating in Delaware would impose any meaningful financial or logistical burden on Google; indeed, the record suggests the opposite. *See Contour IP*, 2017 WL 3189005, at *10; *Altera*, 842 F. Supp. 2d at 755.

As for Plaintiff, it is located in Texas, and it employs only two individuals who are also both located there. (D.I. 128 at ¶ 4) So the size disparity between it and Google could not be any greater. But while Plaintiff argues that "the relative ability of each party to bear litigation costs confirms that Delaware is a more convenient forum for the parties here," (D.I. 124 at 10), it does not explain *why* litigating in Delaware would be more convenient or less costly for it than would the Northern District of California. In other words, it did not well explain why, if Google forced it to litigate in the proposed transferee forum, Google would be leveraging this imbalance of party resources to Plaintiff's detriment.

In the end, it seems like more of the party witnesses or representatives who might play a role in this case are located closer to the Northern District of California than to Delaware. For that reason, the Court recognizes that this factor should weigh in Google's favor to some degree. But in light of the other counter-balancing factors discussed above, this factor only slightly favors transfer. *Contour IP*, 2017 WL 3189005, at *10-11.

e. Convenience of the witnesses to the extent that they may actually be unavailable for trial in one of the fora

The "convenience of the witnesses" is the next factor, "but only to the extent that the witnesses may actually be unavailable for trial in one of the fora." Of particular concern here are fact witnesses, especially those who may not appear of their own volition in the venue-at-issue and who could not be compelled to appear there by subpoena pursuant to Federal Rule of Civil

Procedure 45. *ADE Corp. v. KLA-Tencor Corp.*, 138 F. Supp. 2d 565, 569 (D. Del. 2001); *Affymetrix, Inc.*, 28 F. Supp. 2d at 203.

In *Jumara*, the Third Circuit made clear that in order for this factor to meaningfully favor the movant, the movant must come forward with some amount of specificity. This is evident from the wording of the factor itself, which notes that the witnesses' convenience should be considered "only to the extent that the witnesses may *actually be* unavailable for trial in one of the fora[.]" *Jumara*, 55 F.3d at 879 (emphasis added) (citation omitted). It is also evident from the legal authority that *Jumara* cited in setting out this factor, which explains:

> The rule is that these applications [for transfer] are not determined solely upon the outcome of a contest between the parties as to which of them can present a longer list of possible witnesses located in the respective districts in which each party would like to try the case. The party seeking the transfer must clearly specify the key witnesses to be called and must make a general statement of what their testimony will cover. The emphasis must be on this showing rather than on numbers. One key witness may outweigh a great number of less important witnesses. If a party has merely made a general allegation that witnesses will be necessary, without identifying them and indicating what their testimony will be the application for transfer will be denied.

15 Charles Alan Wright, Arthur R. Miller & Edward H. Cooper, *Federal Practice and Procedure: Jurisdiction and Related Matters* § 3851, at 425-28 (2d ed. 1986) (footnotes omitted) (cited in *Jumara*, 55 F.3d at 879). In light of this, in order for the movant to convincingly argue that this factor squarely favors transfer, the movant must provide specificity as to: (1) the particular witness to whom it is referring; (2) what that person's testimony might have to do with a trial in this case; and (3) what reason there is to think that the person will "actually" be unavailable for trial (as opposed to the proffer of a guess or speculation on that front). *See Elm 3DS Innovations LLC v. SK Hynix Inc.*, Civil Action No. 14-1432-LPS-CJB, 2015 WL 4967139, at *8 (D. Del. Aug. 20, 2015).

Here, Personal Audio identifies by name the following persons or entities who are third parties and who are said to have important testimony for trial:

(1) The named inventors of the asserted patents, Mr. Logan, Mr. Goessling, and Mr. Call. Mr. Logan resides near Candia, New Hampshire. Mr. Goessling resides near Boston, Massachusetts. Mr. Call resides in Chicago, Illinois. (D.I. 128 at ¶ 12)

(2) Personal Audio's former Vice President of Licensing, Richard Baker, Jr., who resides in or around West Newbury, Massachusetts. (*Id.*; D.I. 125 at ¶¶ 1-2)

(3) The law firm of Nixon & Vanderhye of Arlington, Virginia, which handled reexamination proceedings for the asserted patents. (D.I. 128 at ¶¶ 11-12)

It argues that because these witnesses live or work on the East Coast or the Midwest—far closer to Delaware than California—keeping the matter here would dramatically reduce their travel time and costs. (D.I. 124 at 13 (citing D.I. 128 at ¶¶ 11-18 & exs. A-C)) Additionally, Mr. Call, Mr. Logan, and Mr. Baker submitted declarations stating that if requested to testify in the matter, they would find it more convenient to do so in Delaware than in the Northern District of California, given their closer proximity to this District. (D.I. 125, 126, 129)

Google does not appear to dispute that these named third parties may have important testimony. (D.I. 132 at 7) But it rightly notes that none of these witnesses have indicated that they would "actually be" unavailable for trial in the proposed transferee district.[9] (*Id.*)

For its part, when it comes to third party witnesses, Google makes only one affirmative argument. It asserts that it "anticipates that individuals who have worked on Google Play Music in the past but are no longer employed by Google may have information that is relevant," (D.I.

[9] Indeed, in a prior action involving the asserted patents venued in the Eastern District of Texas, Mr. Logan and Mr. Call did show up to testify at trial. (D.I. 128 at ¶ 18)

132 at 6), and it then guesses that these unnamed people "would likely not move out-of-state" and would thus continue to live in the Northern District of California, (D.I. 120 at 10). For the reasons set forth above, the Court cannot be speculating or guessing about third-party-witness issues. Google's argument is wholly dependent on such speculation, and is thus not impactful at all.

In the end, with the identified important third party witnesses living far closer to Delaware than California, this factor will support Personal Audio's position. But with no indication that these witnesses will refuse to testify in the proposed transferee district, this factor should only weigh slightly against transfer.

f. Location of books and records

Next, the Court considers "the location of books and records (similarly limited to the extent that the files could not be produced in the alternative forum)." "In patent infringement cases, the bulk of the relevant evidence usually comes from the accused infringer. Consequently, the place where the defendant's documents are kept weighs in favor of transfer to that location." *In re Genentech, Inc.*, 566 F.3d 1338, 1345 (Fed. Cir. 2009) (internal quotation marks and citation omitted). Yet this factor is commonly given little weight, as technological advances have "shortened the time it takes to transfer information, reduced the bulk or size of documents or things on which information is recorded . . . and have lowered the cost of moving that information from one place to another." *Cypress Semiconductor Corp. v. Integrated Circuit Sys., Inc.*, No. 01-199-SLR, 2001 WL 1617186, at *3 (D. Del. Nov. 28, 2001) (internal quotation marks and citation omitted); *see also Cellectis S.A. v. Precision Biosciences, Inc.*, 858 F. Supp. 2d 376, 382 (D. Del. 2012) (same).

Here, the record indicates that the relevant Google records related to Google Play Music are located in or accessible from Google's offices in Mountain View or San Bruno, in the proposed transferee district. (D.I. 121 at ¶¶ 9-11) Meanwhile, Plaintiff's records are located in Texas (close to neither relevant district). (D.I. 128 at ¶ 6) It does not appear that any relevant records are located in Delaware.

That said, no one claims that there will be any difficulty producing these records in Delaware for trial. (D.I. 124 at 15) As such, this factor should only slightly favor transfer, and should not have a significant impact in the overall calculus. *Contour IP*, 2017 WL 3189005, at *13; *McRo, Inc.*, 2013 WL 6571618, at *9-10 (citing cases).

2. Public Interest Factors

The Court below addresses the three public interest factors that were asserted by the parties to be anything other than neutral.

a. Practical considerations that could make the trial easy, expeditious, or inexpensive

The Court first considers the "practical considerations" factor. As this is a "public interest" factor, it requires that "at least some attention [must] be paid to the *public* costs of litigation[.]" *Schubert v. Cree, Inc.*, Civil Action No. 12-922-GMS, 2013 WL 550192, at *5 (D. Del. Feb. 14, 2013) (emphasis added).

Defendant argues that because the Court had not yet devoted significant resources to the case at the time of the Motion's filing, and because this Court has no past experience with the patents-in-suit, "no expenditure of judicial resources would be undermined through transfer." (D.I. 120 at 12; *see also* D.I. 132 at 8) Plaintiff, for its part, contends that in Google's May 2017 motion to dismiss, Google should have requested in the alternative that the Eastern District of Texas Court transfer the case to the Northern District of California. Because Google did not do

so then, and because transferring the case again now will cause further delay to Personal Audio, it asserts that this factor supports denial of the Motion. (D.I. 124 at 2, 16-18)

The Court sides with Personal Audio here. Transfer of this case to a third judicial district would not serve to make the path to trial "easy" or "expeditious" or "inexpensive." It so concludes for two primary reasons.

First, adding further complication and delay to this case seems unduly harsh to Personal Audio, which has really been forced to run the gauntlet in order to see its patent rights timely adjudicated. After all, the case is now three years old (when the Motion was filed, it was already two and a half years old). It has been stayed in favor of an IPR proceeding. It has been stayed in favor of resolution of a venue motion. Its progress has been delayed by a tropical storm. And even once the case was transferred to this District, Google waited approximately two months before filing the instant Motion, ensuring that the case's venue status would be uncertain for an even longer period of time. (*See* D.I. 105; D.I. 119; D.I. 124 at 2) At some point, Plaintiff can rightly say: "Enough is enough—let us get on with it."

And second, transfer would not serve the overall goal of efficiency in the federal court system. It would require a third Court to become familiar with the case and the asserted patents. It would likely further increase the number of federal judges who will issue important decisions in the case. And the attorneys involved would be forced to study the precedent of a third judicial district in order to predict how the case might turn out. Although it unfortunately sometimes must happen, *see Contour IP*, 2017 WL 3189005, at *15, surely in all but the most unusual of circumstances, one would wish to avoid sending a case to its third federal court, *cf. Lesmeister v. Selective Service Sys.*, CIVIL ACTION H-16-3362, 2017 WL 3506864, at *5 (S.D. Tex. Aug.

16, 2017) (explaining that "[t]he court finds no compelling reason to burden a third court with this litigation" and finding that the congestion of courts factor weighed against transfer).

For these reasons, this factor weighs squarely against transfer.

b. Administrative difficulties in getting the case to trial

The next factor is the "relative administrative difficulty in the two fora resulting from court congestion."

To support its assertion that this factor favors transfer to the Northern District of California, Google pointed out that at the time of the filing of the Motion, the District of Delaware had only two active full-time District Judges (out of four full-time District Judge positions),[10] while the Northern District of California had a full bench of judges. (D.I. 120 at 13)

However, on August 1, 2018, two District Judge nominees for this District were confirmed by the United States Senate, subsequently took the oath of office, and have since been assigned new cases. *See District of Delaware Welcomes Judges Connolly and Noreika*, United States District Court for the District of Delaware (Aug. 10, 2018), http://www.ded.uscourts.gov/news/district-delaware-welcomes-judges-connolly-and-noreika.[11] Indeed, one of them, Judge Connolly, has now been assigned this case. It may be that the transition of the case from the Court to Judge Connolly will occasion some delay in getting the case to trial. But it is hard to conclude that any such delay would be greater than what would occur were the case to be transferred to the Northern District of California (and thus await

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[10] At that time, however, Senior District Judge Gregory M. Sleet was handling a full civil caseload in this District, in essence giving the District three full-time District Judges.

[11] This development could have been reasonably anticipated at the time the instant Motion was filed in February 2018, as by that time both of the two new District Judges had been nominated.

judicial re-assignment there, as well as the entry of a new case schedule that works for that new judge's calendar).

Moreover, Personal Audio put forward statistics showing the median time to disposition and time to trial in the two districts. For the 12-month period ending on December 31, 2017, the median time to disposition in this District was 6.0 months and the median time to trial was 27.1 months; in the proposed transferee district, the talley was 7.2 months and 26.7 months, respectively. (D.I. 127, ex. A) Personal Audio also cited to data from patent cases filed since 2015 and terminated as of January 31, 2018; as to those cases, the median time to termination in Delaware was 162 days, as compared to 144 days in the Northern District of California. (*Id.*, exs. B, C) According to these statistics, then, the time to disposition or trial in the two districts are approximately the same.

Nothing referenced above should meaningfully move the ball one way or the other as to this factor. Therefore, the Court finds the factor to be neutral.

c. Local interests in deciding local controversies at home

In patent litigation, the local interest factor is typically neutral, as patent issues tend to raise controversies that are more properly viewed as national, not local, in scope. *Graphics Props.*, 964 F. Supp. 2d at 330. Nevertheless, "[w]hile the sale of an accused product offered nationwide does not give rise to a substantial interest in any single venue . . . if there are significant connections between a particular venue and the events that gave rise to a suit, this factor should be weighed in that venue's favor." *In re Hoffmann-La Roche, Inc.*, 587 F.3d 1333, 1338 (Fed. Cir. 2009).

Defendant argues that the Northern District of California has a stronger local interest in this case because Google is headquartered there, and the accused product was developed by

people working in that district. (D.I. 120 at 13; D.I. 132 at 9-10) And of course, Google is right about there being connections between this matter and the proposed transferee district.

That said, Google has not demonstrated that the case has any type of *outsized* resonance to the citizens of the Northern District of California, nor that its outcome would *significantly* impact that district. It is *that* kind of showing that, pursuant to relevant precedent, would cause this factor to meaningfully favor one party or the other. *Cf. Andrews Int'l, Inc. v. Indian Harbor Ins. Co.*, C.A. No. 12-775-LPS, 2013 WL 5461876, at *4 (D. Del. Sept. 30, 2013) (holding that this factor "strongly" favored transfer where the case involved consideration of the enforceability under California law of certain insurance coverage provisions, which was "an issue of first impression" in that state, where the transferee district was located); *Downing v. Globe Direct LLC*, Civil Action No. 09-693 (JAP), 2010 WL 2560054, at *4 (D. Del. June 18, 2010) (finding that this factor favored transfer where the case "concern[ed] . . . the conduct of [a] Massachusetts government agency, and therefore the case [had] the potential to impact the public policy of as well as, to some extent, the taxpayers of Massachusetts[, the transferee forum]"); *see also Papst Licensing GmbH & Co. KG v. Lattice Semiconductor Corp.*, 126 F. Supp. 3d 430, 445-46 & n.12 (D. Del. 2015).

As for Delaware, Google has chosen the state as the home for its business organization. But it does not want to claim the benefits of being a Delaware limited liability company in this case, and so its Delaware LLC status should have little bearing as to this factor. *Contour IP*, 2017 WL 3189005, at *14.

Under these circumstances, this factor slightly favors transfer. *Id.*

3. Conclusion Regarding Impact of *Jumara* Factors

In sum, Plaintiff's "forum preference as manifested in the original choice," Defendant's forum preference and the "whether the claim arose elsewhere" factors all squarely favor transfer. The "convenience of the parties," "location of books and records" and "local interest" factors all slightly favor transfer. On the other hand, Plaintiff's current forum preference and the "practical considerations" factors weigh squarely against transfer, and the "convenience of the witnesses" factor weighs slightly against transfer. The remainder of the *Jumara* factors are neutral.

It is true that more of these factors tilt in Defendant's favor. But the Court cannot conclude the balance "is *strongly in favor* of" transfer to the Northern District of California. *Shutte*, 431 F.2d at 25 (emphasis added). After all, there are a number of clear reasons why proceeding in this venue *is* convenient. Personal Audio is pursuing the case in a venue in which Defendant chose to organize its LLC, i.e., where it has previously "accepted the benefits of organizing under the laws of the State of Delaware[.]" *Mitchell Ellis Prods., Inc. v. AgriNomix LLC*, 242 F. Supp. 3d 320, 322 (D. Del. 2017). And this forum is far closer to a number of third party witnesses. Finally, and most importantly, transfer to a third venue now, in a case that "has already dragged on for years," (D.I. 103 at 23), would be particularly disruptive and not serve the interests of justice.

In light of the entire record, then, the Court finds that denial of Defendant's Motion is warranted.

III. CONCLUSION

The Court DENIES Defendant's Motion.

Because this Memorandum Order may contain confidential information, it has been released under seal, pending review by the parties to allow them to submit a single, jointly proposed, redacted version (if necessary) of the document. Any such redacted version shall be

submitted by not later than **September 24, 2018** for review by the Court, along with a motion for redaction that includes a clear, factually detailed explanation as to why disclosure of any proposed redacted material would "work a clearly defined and serious injury to the party seeking closure." *Pansy v. Borough of Stroudsburg*, 23 F.3d 772, 786 (3d Cir. 1994) (internal quotation marks and citation omitted). The Court will subsequently issue a publicly-available version of its Memorandum Order.

Dated: September 19, 2018

Christopher J. Burke
UNITED STATES MAGISTRATE JUDGE