IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

SHURE INCORPORATED and SHURE ACQUISITION HOLDINGS, INC.,	)	
Plaintiffs,	)	
v.	)	Civil Action No. 19-1343-RGA-CJB
CLEARONE, INC.,	)	
Defendant.	)	

MEMORANDUM ORDER

Presently pending before the Court in this case is Defendant ClearOne, Inc.'s ("Defendant" or "ClearOne") motion seeking a transfer of venue to the United States District Court for the Northern District of Illinois ("Northern District of Illinois" or "N.D. Illinois"), which was filed pursuant to 28 U.S.C. § 1404(a) (the "Motion"). (D.I. 29) Plaintiffs Shure, Inc. and Shure Acquisition Holdings, Inc. (collectively "Plaintiffs" or "Shure") oppose the Motion. For the reasons set forth below, ClearOne's Motion is DENIED.

I. BACKGROUND

Below, the Court provides some factual background on the parties and their various legal disputes. Additional relevant facts will be set out as necessary in Section II below.

A. The Parties

Both Shure entities are Illinois corporations with principal places of business in Niles, Illinois. (D.I. 64 at ¶¶ 3-4) Shure designs and manufactures an array of audio electronics, including microphones and conference room equipment. (*Id.* at ¶ 14) Shure is the owner of the patents-in-suit: United States Patent No. 9,565,493 (the "'493 patent"), entitled "Array

Microphone System and Method of Assembling the Same[,]" and United States Patent No. D865723 (the "'723 patent"), entitled "Array Microphone Assembly." (*Id.* at ¶¶ 1, 16-17)

ClearOne is a Delaware corporation with its principal place of business in Salt Lake City, Utah. (*Id.* at ¶ 5; D.I. 42, ex. E at 5) The company has other U.S.-based and global offices, but it does not have offices or facilities located in Delaware. (D.I. 42, ex. E at 5; D.I. 32 at ¶ 4) Like Shure, ClearOne is also in the business of designing and selling audio electronics in the professional audio-conferencing market. (D.I. 64 at ¶ 15; D.I. 30 at 1)

B. Litigation Between the Parties

1. The Northern District of Illinois Actions

In April 2017, Shure filed a lawsuit against ClearOne in the Northern District of Illinois seeking, *inter alia*, a declaratory judgment of non-infringement of ClearOne's United States Patent No. 9,635,186 (the "'186 patent"). (*Shure Inc. v. ClearOne, Inc.*, Civil Action Number 17-3078 ("*Shure*" or the "2017 *Shure* litigation"), D.I. 1 (N.D. Ill. Apr. 24, 2017)) ClearOne counterclaimed and ultimately accused Shure's MXA910 product of infringing its '186 patent and its United States Patent No. 9,813,806 (the "'806 patent"). (*Shure*, D.I. 430 (Oct. 30, 2018))

In the early part of the 2017 *Shure* litigation, ClearOne filed motions for a preliminary injunction as to its respective patent claims, seeking to prevent Shure from selling Shure's allegedly-infringing MXA910 product. (D.I. 30 at 3) With respect to ClearOne's motion regarding the '186 patent, the Northern District of Illinois Court ultimately denied the motion, finding that Shure had raised a substantial question as to the validity of that patent. (*Shure*, D.I. 278 (Mar. 16, 2018); *see also id.*, D.I. 612 (Aug. 25, 2019)) As to the preliminary injunction motion regarding the '806 patent, the Northern District of Illinois Court ruled in ClearOne's favor, and enjoined Shure from manufacturing, selling and marketing its MXA910 product to be

used in its drop-ceiling mounting configuration. (*Id.*, D.I. 551 at 63-64 (Aug. 5, 2019)) On August 25, 2019, a claim construction order was issued resolving the remaining disputed claim terms for both patents. (*Id.*, D.I. 613 (Aug. 25, 2019))

In April 2019, ClearOne filed a separate action in the Northern District of Illinois against Shure, alleging, *inter alia*, that Shure's MXA910 product infringed ClearOne's United States Patent No. 9,264,553 (the "'553 patent"). (*ClearOne, Inc. v. Shure, Inc*., Civil Action Number 19-2421 ("*ClearOne*" or the "2019 *ClearOne* litigation"), D.I. 1 (N.D. Ill. Apr. 10, 2019)) On September 25, 2019, ClearOne filed a motion to amend its complaint to include claims for intentional interference with prospective economic relations and trade libel; these claims were premised on allegations that Shure had wrongly accused ClearOne of making false statements about the preliminary injunction that ClearOne had been granted in the 2017 *Shure* litigation. (*Id*., D.I. 40 (Sept. 25, 2019); *id.*, D.I. 43 (Sept. 26, 2019)) On December 15, 2019, the Northern District of Illinois Court granted ClearOne's motion to amend, (*id.*, D.I. 50 (Dec. 15, 2019)), and ClearOne filed its Amended Complaint on December 16, 2019, (*id*., D.I. 51 (Dec. 16, 2019)).

2. The Instant Action

On July 18, 2019, Shure filed the instant action against ClearOne in this Court. (D.I. 1) On September 9, 2019, Shure filed an Amended Complaint, (D.I. 19), and then on November 19, 2019, it filed its operative Second Amended Complaint ("SAC"), (D.I. 64). ClearOne currently has pending motions to dismiss the claims in the SAC. (D.I. 21; D.I. 68; D.I. 75)[1]

[1] The Court has been referred the instant case for all purposes, up through the case dispositive motions deadline, by United States District Judge Richard G. Andrews. (D.I. 9)

The First Cause of Action in the SAC is a claim for infringement of the '493 patent and the Sixth Cause of Action is a claim for infringement of the '723 patent. (D.I. 64 at ¶¶ 26-41, 71-81)[2] ClearOne is accused of infringing these patents-in-suit by making, using, offering to sell and selling beamforming microphone arrays, specifically its "BMA CT" product. (*Id.*)

In addition to patent infringement, Shure further alleges that ClearOne made various false or misleading statements (including statements made by its Regional Sales Manager John Schnibbe, and its Senior Vice President of Finance Narsi Narayanan) to customers, installers and integrators regarding the status or impact of litigations between the two parties, including as to the impact of the preliminary injunction that was entered by the Northern District of Illinois Court. (*Id.* at ¶¶ 20-25) These alleged false or misleading statements provide the basis for Shure's claim of false advertising under the Lanham Act (the Second Cause of Action), (*id*. at ¶¶ 42-49), and its various Delaware state law claims, including claims for a violation of the Delaware Deceptive Trade Practices Act ("DDTPA") (the Third Cause of Action), (*id.* at ¶¶ 50–56), tortious interference with business relations (the Fourth Cause of Action), (*id.* at ¶¶ 57–63), and unfair competition (the Fifth Cause of Action), (*id.* at ¶¶ 64–70).

ClearOne filed the instant Motion on October 1, 2019. (D.I. 29) Briefing on the Motion was completed by October 22, 2019, (D.I. 50), and ClearOne filed a supplemental letter on December 18, 2019, (D.I. 81).

II. DISCUSSION

A. Legal Standard

[2] On November 1, 2019, the Court granted ClearOne's motion to stay the case as to the First Cause of Action (i.e., Shure's claim of infringement of the '493 patent), in light of a pending *inter partes* review proceeding before the United States Patent and Trademark Office's Patent Trial and Appeal Board. (D.I. 53)

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).[3] 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 25 (internal quotation marks and citation omitted) (emphasis added); *see also CNH Am. LLC v. Kinzenbaw*, C.A. No. 08-945(GMS), 2009 WL 3737653, at *2 (D. Del. Nov. 9, 2009).

The first step in the transfer analysis is to determine whether this action could have been brought in the proposed transferee district. *David & Lily Penn, Inc. v. TruckPro, LLC*, Civ. No. 18-1681-LPS, 2019 WL 4671158, at *1 (D. Del. Sept. 25, 2019); *Mallinckrodt, Inc. v. E-Z-Em Inc.*, 670 F. Supp. 2d 349, 356 (D. Del. 2009). If the action could have been brought in the proposed transferee district, the Court must then balance the appropriate considerations to determine whether, in the interests of justice, the transfer request should be granted. *David & Lily Penn, Inc.*, 2019 WL 4671158, at *2. The United States Court of Appeals for the Third Circuit has observed that in performing this balancing act, a district court should analyze "all relevant factors"; however, the Third Circuit has identified a set of private interest and public interest factors that are appropriate to account for in this analysis (the "*Jumara* factors").

[3] 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).

Jumara, 55 F.3d at 879 (internal quotation marks and citation omitted). 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

As to the first step in the transfer inquiry, both parties spent a considerable amount of their briefing discussing whether this action even could have been brought in the Northern District of Illinois. (D.I. 30 at 7-13; D.I. 42 at 3-9) This dispute has to do with ClearOne's assertions (challenged by Shure) that Shure's claims here could have been brought as compulsory or permissive counterclaims in the 2019 *ClearOne* litigation, or that they could have been brought in a stand-alone action in that District. However, the Court need not resolve this dispute in order to resolve the instant Motion. Even assuming *arguendo* that Shure could have brought the claims in the Northern District of Illinois, below, the Court will articulate why the *Jumara* factors nevertheless counsel against transfer.

C. Application of the *Jumara* Factors

Below the Court will analyze the *Jumara* factors and their impact on the Motion.

1. Private Interest Factors

a. Plaintiff's choice of forum

When analyzing the first *Jumara* private interest factor—the "plaintiff's forum preference as manifested in the original choice"—if the plaintiff articulates rational and legitimate reasons for filing in this District, this factor will weigh against transfer. *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), *report and recommendation adopted by* 2013 WL 174499 (D. Del. Jan. 16, 2013); *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.

Shure states that it brought this case in the District of Delaware because, *inter alia*, ClearOne is incorporated in Delaware. (D.I. 42 at 11) This is normally understood to be a rational and legitimate reason for filing suit in this jurisdiction, since in such cases, the plaintiff will have certainty that there will be personal jurisdiction over the defendant and that venue under 28 U.S.C. § 1400(b) is assured. *See, e.g.*, *David & Lily Penn, Inc.*, 2019 WL 4671158, at *2; *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). Plaintiffs also note that they chose this district because this Court has significant experience with patent litigation matters. (D.I. 42 at 11) That too is generally an understandable reason for filing here. *See Tessera, Inc. v. Broadcom Corp.*,

Civil Action No. 16-379-LPS[-]CJB, Civil Action No. 16-380-LPS-CJB, 2017 WL 1065865, at *4 (D. Del. Mar. 21, 2017).[4]

However, in its briefing, ClearOne argues that Shure *really* filed this case in our Court because Shure is "forum shopping." (D.I. 30 at 2; D.I. 50 at 10; *see also* D.I. 22 at 9) Forum shopping, as the term is used in this context, describes "a situation in which a party seeks to litigate in one district court, because it is 'shopping' for a favorable ruling and has indication that such a ruling would not be forthcoming in an alternative venue." *TSMC Tech. Inc.*, 2014 WL 7251188, at *10 & n.10 (citing cases). This type of judge or court shopping is to be "'discouraged'" in the federal court system. *Id*. (quoting *Micron Tech., Inc. v. Rambus Inc.*, 645 F.3d 1311, 1332 (Fed. Cir. 2011)). ClearOne suggests that the Court can conclude that forum shopping is at play here because: (1) when the 2019 *ClearOne* litigation was filed, it was not initially assigned to the District Judge overseeing the 2017 *Shure* litigation, but instead to another District Judge in the Northern District of Illinois; and (2) Shure opposed ClearOne's (ultimately successful) motion seeking to have the 2019 *ClearOne* litigation be reassigned to the District Judge presiding over the 2017 *Shure* litigation. (D.I. 22 at 9 (*cited in* D.I. 50 at 10)) And additionally, it notes that Shure then filed this case here (and not in the proposed transferee district, where it had filed its prior litigation against ClearOne).

[4] To the extent that ClearOne argues that Shure's choice of forum should be given lesser weight because Shure filed suit outside of its "home forum" or "home turf" in the Northern District of Illinois, (D.I. 30 at 16–17; D.I. 50 at 7–8), the Court has previously explained why an analysis of that "home turf" issue is unnecessary, as it has no independent significance in the *Jumara* transfer analysis, *see, e.g.*, *Tessera, Inc.*, 2017 WL 1065865, at *4 n.6; *Pragmatus*, 2012 WL 4889438, at *5. And to the extent ClearOne suggests that the decisions in *Sinochem Int'l Co. v. Malaysia Int'l Shipping Corp.*, 549 U.S. 422 (2007) and *In re Link_A_Media Devices Corp.*, 662 F.3d 1221 (Fed. Cir. 2011) indicate otherwise, (D.I. 30 at 16), that is incorrect for the reasons set out by this Court in *Realtime Data LLC v. Fortinet, Inc*., Civil Action No. 17-1635-CFC, 2018 WL 5630587, at *5-6 (D. Del. Oct. 31, 2018).

But an allegation of forum shopping (as that term is understood above) is a pretty serious charge to level against another party. Understanding this, if the Court were to find that a party is truly engaging in forum shopping, it would want to have a *very* clear record before it in support. And here, although the Court sees the link that ClearOne is trying to make, it concludes that it just does not have enough to come to this conclusion.

For one thing, it is not clear enough that Shure's filing here was motivated by the desire to avoid forthcoming, unfavorable rulings by the Northern District of Illinois Court. Obviously, Shure has not prevailed on some issues in the Northern District of Illinois litigations—including the preliminary injunction decision that is at the heart of its non-patent claims. But it *did* prevail on other issues in those cases, and both cases are still in full swing, well short of trial. Nor has the Court been presented with a record clearly showing that Shure or its counsel have real animus toward the proposed transferee Court.

To be sure, Shure did previously file the 2017 *Shure* litigation in the Northern District of Illinois against ClearOne—and yet then later filed the instant case against ClearOne here. And for reasons the Court will note below, if judicial efficiency had been Shure's number one priority, then it would have filed the instant case in the Northern District of Illinois too. But that was not Shure's top priority, and it does not have to be. Moreover, "a plaintiff is not typically seen as acting in bad faith if it chooses different venues for its various litigation matters (any more than are defendants who seek to transfer such matters to their preferred jurisdiction pursuant to Section 1404(a))." *Tessera, Inc.*, 2017 WL 1065865, at *5; *see also Cellectis S.A. v. Precision Bioscis., Inc.*, 858 F. Supp. 2d 376, 385 (D. Del. 2012) ("[T]o suggest that a company that chooses different venues for different suits is operating in bad faith is disingenuous, and the suggestion is a not-so-subtle attempt to cloak the venue selection exercise in which every

company engages with overtones of intentional misconduct."). Shure was not obligated to file all of its litigation against ClearOne in Shure's own home district.

Ultimately, because there are legitimate factors support Shure's filing of the case in this Court, and because the Court cannot clearly conclude that wrongful forum shopping has occurred, this factor weighs against transfer.

b. Defendant's forum preference

As for the second private interest factor—the defendant's forum preference—ClearOne prefers to litigate in the Northern District of Illinois. (D.I. 30 at 17) 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. Here, ClearOne cites a number of legitimate reasons for seeking transfer, including that at least some of the relevant documents and witnesses are located in that forum and that the parties have ongoing litigation in the forum (such that the District Judge there has familiarity with the parties and with certain facts relevant to their ongoing disputes). (D.I. 30 at 17) This factor thus supports transfer.[5] *See, e.g.*, *Am. Axle & Mfg., Inc. v. Neapco Holdings LLC*, Civil Action No. 15-1168-LPS-CJB, 2016 WL 8677211, at *4 (D. Del. Sept. 23, 2016); *Joao Control & Monitoring Sys., LLC v. Ford Motor Co.*, C.A. No. 12-cv-1479 (GMS), 2013 WL 4496644, at *4 (D. Del. Aug. 21, 2013).

c. Whether the claims arose elsewhere

The third private interest *Jumara* factor asks "whether the claim arose elsewhere."

[5] To the extent that Shure 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. 42 at 11–12), 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).

As to the claims for patent infringement, as a matter of law, such claims arise "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 Nos. 12-1508-LPS-CJB, 12-1511-LPS-CJB, 12-1512-LPS-CJB, 12-1518-LPS-CJB, 2013 WL 6571618, at *5 (D. Del. Dec. 13, 2013) (certain internal quotation marks and citations omitted), *report and recommendation adopted by* 2013 WL 6869866 (D. Del. Dec. 30, 2013). Nevertheless, as to this factor, this Court typically tends to focus on the location of the production, design, and manufacture of the accused instrumentalities. *Id.* (citing cases).

ClearOne is a global company that sells its accused products throughout the United States, (D.I. 64 at ¶¶ 30–32, 37–39), and it does not dispute that it sells and offers to sell those products in both the proposed transferee district and in Delaware.[6] As to where the accused BMA CT product was "made," ClearOne notes that the product was designed and developed in Utah (i.e., not particularly close to either district at issue), (D.I. 30 at 18; D.I. 32 at ¶ 4), while Shure asserts that the product is manufactured in China, which is a world away from both districts, (D.I. 42 at 13 (citing *id.*, ex. E at 28)). In the end, the patent infringement claims really do seem to be national/international in scope (as opposed to being centered in any one particular district). *See, e.g., Varian Med. Sys., Inc. v. Elekta AB*, Civil Action No. 15-871-LPS-CJB, 2016 WL 3341865, at *5-6 (D. Del. June 8, 2016); *Schubert v. OSRAM AG*, Civil Action No. 12-923-GMS, 2013 WL 587890, at *4 (D. Del. Feb. 14, 2013).

[6] ClearOne asserts, however, that it "has a stronger sales presence, and sells more BMA CTs, in N.D. Illinois than in Delaware." (D.I. 30 at 17 (citing D.I. 34 & D.I. 35)) It is difficult to tell how much more of the accused product is sold or offered for sale in the proposed transferee district; based on ClearOne's submitted declarations, the disparity does not seem great. (D.I. 34 at ¶¶ 10-12; D.I. 35 at ¶¶ 2-3; *see also* D.I. 42 at 12)

With regard to Shure's non-patent claims, they are premised on the allegedly false statements made to Shure's customers or prospective customers by Mr. Schnibbe, or communicated to those customers via a letter sent by Mr. Narayanan. (D.I. 64 at ¶¶ 20-25, 43, 51, 58, 65) And these claims also seem to have arisen throughout the country. For example, Mr. Schnibbe is the ClearOne Regional Sales Manager for the Southeast region of the United States, and he is based in Georgia. (D.I. 33 at ¶ 3) ClearOne suggests that any of his statements would have been made to potential customers in the Southeast. (*Id*.) Shure counters with a declaration asserting that the statements were made to customers not only in the Southeast, but also in Texas, Illinois, Ohio, Pennsylvania and Maryland. (D.I. 42, ex. G at ¶ 4) As for Mr. Narayanan, he is based in Salt Lake City, (D.I. 33 at ¶ 2), which will not be the site of this litigation. In a declaration, Mr. Narayanan reports that he sent the letter at issue to "multiple ClearOne partners" including 19 people in the Northern District of Illinois (and none in Delaware), (*id*. at ¶¶ 4-5). But Mr. Narayanan pointedly omits including reference to how many *other* ClearOne partners received this letter (and, thus, the extent to which, even if a few entities in the proposed transferee district were recipients, those numbers were dwarfed by the amount of recipients based in other parts of the country). (D.I. 42 at 13)[7]

[7] Moreover, although ClearOne suggests that these claims "arose" in the Northern District of Illinois because certain people received the alleged false statements there, or because "any harm from such statements would be felt [there], where Shure is incorporated and headquartered[,]" (D.I. 30 at 18), what authority the Court can find on this issue suggests that claims premised on fraudulent or misleading representations arise in the state where the allegedly false or fraudulent statements are *made*, *see Franklin U.S. Rising Dividends Fund v. Am. Int'l Grp., Inc.*, Civil Action No. 13-5805 (ILL), 2014 WL 3748214, at *5-6 (D.N.J. July 29, 2014) (explaining, in evaluating a motion for transfer, that claims arise in the state in which fraudulent statements are made (not where they are received)) (citing cases); *United States v. Bollinger Shipyards, Inc.*, Civil Action No. 11-01388 (RBW), 2012 WL 12987042, at *4 (D.D.C. Mar. 30, 2012) (explaining that there was an "overwhelming connection" between the litigation and the proposed transferee district where "all of the allegedly false statements and claims for payment

Ultimately, the claims in this case have connections throughout the United States and cannot clearly be centered in either of the two districts at issue. Thus, this factor is decidedly neutral.

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).

This factor too is not very illuminating. It would be hard for Shure to argue that the Northern District of Illinois is an inconvenient litigation forum (as compared to Delaware), since Shure is headquartered there. And it would be hard for ClearOne to argue that this district is an inconvenient litigation forum (as compared to the Northern District of Illinois), since ClearOne is incorporated here, *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) (citing *Altera*, 842 F. Supp. 2d at 756), and because both districts are fairly far away from Utah. Moreover, while Shure is substantially larger than ClearOne, (D.I. 30 at 19 (citing D.I. 31, exs. 15-16)), ClearOne is of significant size, as it generates millions in revenue and maintains various offices around the

originated in" that district). None of the statements at issue were made either in this district or the proposed transferee district.

world, (*id*.; D.I. 42, ex. E); *see Autodesk Canada Co. v. Assimilate, Inc*., No. 08-587-SLR-LPS, 2009 WL 3151026, at *8 (D. Del. Sept. 29, 2009) ("Despite the relatively larger financial resources of [the plaintiff, the defendant] has sufficient resources to defend a lawsuit in Delaware—the jurisdiction in which it chose to incorporate—just as it has the resources to support employees and sales efforts in multiple countries."). It surely has the financial ability to easily litigate in either forum.

The Court recognizes that Shure's headquarters is located in the proposed transferee district, and so more of the party witnesses or representatives who might play a role in this case are better connected with that district than to Delaware. (D.I. 30 at 19; *see also id.* at 6) For that reason, this factor should weigh in ClearOne's favor to some degree. But in light of the other counter-balancing issues discussed above, this factor only slightly favors transfer. *See 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 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, 568-69 (D. Del. 2001); *Affymetrix, Inc. v. Synteni, Inc.*, 28 F. Supp. 2d 192, 203 (D. Del. 1998).[8]

[8] 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). And it is evident from the legal authority that the *Jumara* Court cited to in setting out this factor. *See Elm 3DS*, 2015 WL

As to this factor, ClearOne briefly mentioned: (1) the 19 recipients of the Narayanan letter who live in the Northern District of Illinois; and (2) the fact that the prosecuting attorneys of one of the two patents-in-suit live in that district. (D.I. 30 at 20) However, ClearOne never explained why it is likely that one or more of the letter recipients (as opposed to other recipients of the letter who live outside of the transferee district and closer to this district), (*see* D.I. 42 at 16), or either of those prosecuting attorneys, will likely be needed to testify at trial. Nor did it explain why there is reason to believe that those persons would "actually be" unavailable for trial in Delaware. As a result, this factor is neutral. *See Genedics, LLC v. Meta Co.*, Civil Action No. 17-1062-CJB, 2018 WL 417950, at *7 (D. Del. Jan. 12, 2018) (finding this factor to be neutral where "the record as to third-party witnesses who may actually be unavailable for trial in either fora is limited").

f. Location of relevant evidence

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

4967139, at *8 (citing *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 id.*

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).

Here, any relevant ClearOne-related records are likely located in Utah, far from either district at issue. (D.I. 30 at 20; D.I. 32 at ¶ 4) Shure's records, to the extent they are relevant, are likely located in the proposed transferee district. But no party is asserting that any relevant document or record could not be easily produced for trial in Delaware. And though some relevant documents may already have been produced to Shure in the proposed transferee district during the Northern District of Illinois litigations, (D.I. 30 at 20), ClearOne does not explain why there would be any "disruption" caused if those same documents were produced again in this case, even if the case goes forward in Delaware, (*id.*; *see also* D.I. 42 at 17 n.6). 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.

2. Public Interest Factors

The Court below addresses the public interest factors that appear to have relevance here.

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 in original).

ClearOne argues that transfer to the Northern District of Illinois would best serve judicial economy because since 2017, that Court has been deeply involved in managing pending cases

between these same parties—cases that involve similar beamforming microphone array technology to that at issue here. (D.I. 30 at 14)[9] It also notes that the District Judge presiding over the Northern District of Illinois cases will be familiar with some of the facts relating to Shure's non-patent claims, because those claims largely relate to alleged misrepresentations about an order issued by that same District Judge. (*Id.* at 14-15)

This all makes good sense. In light of these facts, ClearOne has to be correct that—at the time the instant Motion was filed (and, indeed, as of today)—the Northern District of Illinois Court was better positioned than this Court to process the issues in this case. Put differently, solely from a "maximizing judicial economy" perspective, it probably would have been best if one judge in one court was addressing all issues between Shure and ClearOne regarding the general subject matter of these various litigations. *See Cashedge, Inc. v. Yodlee, Inc*., No. Civ.A.06-170 JJF, 2006 WL 2038504, at *2 (D. Del. July 19, 2006) (noting that, in that case, "judicial efficiency regarding the ease, speed, or expense of trial strongly weigh[ed] in favor of transfer" due to the fact that another action in the proposed transferee district "involves the same parties, similar technologies, and related patents-in-suit").

That said, Shure is right to note that some of ClearOne's "practical considerations" arguments are overstated. For example, Shure rightly points out that the specific patents-in-suit in this case are not at issue in the Northern District of Illinois cases, and the accused product here

[9] In the 2019 *ClearOne* litigation, ClearOne alleges that Shure's MXA910 product infringes one of ClearOne's patents; that product purportedly reads on the claims of Shure's '493 patent, at issue in this litigation. (D.I. 50 at 3) And the BMA CT product, the accused product in this case, purportedly reads on ClearOne's '553 patent, which is asserted in the 2019 *ClearOne* litigation and is said by ClearOne to be prior art relevant to this case. (*Id.* at 3, 6) So while this case (as is noted further below) will likely implicate plenty of unique issues not at play in the Northern District of Illinois litigations, there are surely going to be some areas of factual overlap too.

is not accused there. (D.I. 42 at 17-18) And so in this case (as compared to the Northern District of Illinois litigations), there will be different claim terms to construe, different nuances to explore regarding infringement and invalidity, and different issues at play regarding damages. (*Id*.); *see also Praxair, Inc. v. ATMI, Inc.*, No. CIV. 03-1158-SLR, 2004 WL 883395, at *2 (D. Del. Apr. 20, 2004) (finding this factor to weigh against transfer even when the patents in the instant case and in a case before the transferee court related to the same technological field, because the cases "nonetheless involve[d] different patents, claims, inventors, prosecution histories and a different set of alleged infringing activities"). Moreover, although ClearOne argues that the parties have "exchanged substantial document productions [in the Northern District of Illinois litigations] that will be relevant to this case[,]" (D.I. 30 at 15), there is not much of a record to gauge how "substantial" that overlap might be, (D.I. 42 at 18).

Yet when considering all of this together, in light of the Northern District of Illinois Court's familiarity with the parties and technology at issue in this case, and its stewardship of two other matters involving these parties, this factor squarely weighs in favor of transfer.

b. 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. Holdings Inc. v. Asus Comput. Int'l, Inc.*, 964 F. Supp. 2d 320, 330 (D. Del. 2013). Nevertheless, "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).

Here, ClearOne argues that the Northern District of Illinois has an interest in resolving this dispute because Shure is headquartered there. (D.I. 30 at 15-16) But this same logic could

be applied to Delaware, the state where ClearOne is incorporated. *See Illumina, Inc. v. Complete Genomics, Inc.*, Civil Action No. 10–649, 2010 WL 4818083, at *5 (D. Del. Nov. 9, 2010). And neither party has demonstrated that this dispute has any type of outsized resonance to either district's population (the type of showing that would really move the needle here). *See Contour IP*, 2017 WL 3189005, at *14 (citing cases). Ultimately, with neither district having a prevailing interest over the other, this factor is neutral. *Cf. David & Lily Penn, Inc.*, 2019 WL 4671158, at *5.

c. Administrative difficulties in getting the case to trial

The next factor is the "relative administrative difficulty in the two fora resulting from court congestion." ClearOne avers that this factor weighs in favor of transfer due to this district's saturated patent docket, greater median time to disposition for patent cases, and fractional number of judges when compared to the Northern District of Illinois. (D.I. 30 at 16; D.I. 31, exs. 7-12, 19-20) Shure argues that transfer is disfavored because of this district's lower median time to civil trial and fewer pending cases per judgeship. (D.I. 42 at 19 (citing *LoganTree LP v. Omron Healthcare, Inc.*, C.A. No. 18-1617 (MN), 2019 WL 4538730, at *8 (D. Del. Sept. 19, 2019)). Both courts are surely plenty busy. In light of the above-referenced statistics, the Court considers the factor to be neutral.

d. Public policies of the fora

As for the "public policies of the fora," our Court has noted that "the public policy of Delaware encourages the use by Delaware corporations of Delaware as a forum for resolution of business disputes." *Good Tech. Corp. v. MobileIron, Inc.*, Civil Action No. 14-1308-LPS-CJB, 2015 WL 1458091, at *10 (D. Del. Mar. 27, 2015) (internal quotation marks and citation omitted). On the other hand, it could be said that public policy supports transfer, because having

one court decide related cases serves the public policy of judicial economy. *Id*. In the end, this factor too is neutral.

e. The familiarity of the trial judge with applicable state law in diversity cases

This case is not a "diversity" case, in that there are federal patent infringement claims and a federal Lanham Act claim asserted. But in addition, Shure does assert supplemental state law claims brought pursuant to Delaware law (the Third through Fifth Causes of Action, which are claims for a violation of the DDTPA, tortious interference with business relations and unfair competition). (D.I. 64 at ¶¶ 50-70) Although Shure does not frame it this way,[10] the last public interest factor would seem to be implicated here, as it otherwise asks about the "familiarity of the trial judge with applicable state law[.]"

The Court has dealt with these types of Delaware state law claims a lot in the past (as have other members of this Court), and so maybe it can be said that a Delaware-based judge is slightly better positioned to examine such claims than other courts would be. *Cf. Guzzetti v. Citrix Online Holdings GmbH*, Civil Action No. 12-01152 GMS, 2013 WL 124127, at *7 (D. Del. Jan. 3, 2013); *In re ML-Lee Acquisition Fund II, L.P.*, 816 F. Supp. 973, 979 (D. Del. 1993). Yet it seems silly to make too much of this, as the proposed transferee Court is certainly well able to discern the ins and outs of another state's laws (and, as noted above, the state law claims here also relate to litigations overseen by the proposed transferee Court).

[10] Shure discusses this issue as part of the "practical considerations" factor. (D.I. 42 at 19 & n.8) While of course this could be framed as a "practical consideration" that would make trial more efficient in one jurisdiction, since there is a separate *Jumara* factor that expressly speaks to review of such state law claims, it makes better sense to the Court to discuss the issue separately here.

As such, this factor weighs against transfer, but it does so minimally, and not enough to make any real difference in the calculus.

3. Conclusion Regarding Impact of *Jumara* Factors

In sum, Shure's "forum preference as manifested in the original choice" weighs squarely against transfer, and the "familiarity of the trial judge with the applicable state law" factor weighs slightly against transfer. ClearOne's forum preference and the "practical considerations" factor squarely favor transfer, while the "convenience of the parties" and "location of books and records" factors only slightly favor transfer. The remainder of the *Jumara* factors are neutral.

The parties' respective forum preferences cancel each other out, and the weight of the other factors that only "slightly" favor or oppose transfer are too negligible to make a difference. So what this comes down to is whether the impact of the "practical considerations" factor (i.e., the Northern District of Illinois' familiarity with two related cases) is enough to warrant transfer here. Absent that factor being in play, this would be a weak case for transfer. With it being at issue, the question is far closer.

If the Court could have clearly discerned that some sort of untoward forum shopping was what was motivating the instant case filing, it would have granted the Motion. Or if some of the other *Jumara* factors had weighed more strongly in ClearOne's favor, then the outcome also might have been different. But in moving to transfer, ClearOne faces a very high burden. And with the record as it is, the Court cannot conclude that ClearOne has demonstrated that the *Jumara* factors are "strongly in favor" of transfer. Shure chose a different venue for this case than it did for its prior case against ClearOne—a venue where ClearOne has its corporate home, and a venue (like the proposed transferee district) where judges experienced with patent cases

can oversee the matter. Shure is the master of its complaint, and it had a legal right to do that. Under the circumstances, the Court will respect that choice.

III. CONCLUSION

For the foregoing reasons, the Court DENIES Defendant's Motion.

Dated: April 15, 2020

Christopher J. Burke
Christopher J. Burke
UNITED STATES MAGISTRATE JUDGE