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Attorneys for Defendants
Matthew Katzer and Kamind Associates, Inc.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

ROBERT JACOBSEN, an individual,	)	Case Number C06-1905-JSW
)	
Plaintiff,	)	Hearing Date: April 11, 2008
	)	Hearing Time: 9:00am
	)	Place: Ct. 2, Floor 17
vs.)	
	)	Hon. Jeffrey S. White
MATTHEW KATZER, an individual, and	)	DEFENDANTS MATTHEW
KAMIND ASSOCIATES, INC., an Oregon	)	KATZER AND KAMIND
corporation dba KAM Industries,	)	ASSOCIATES, INC.'S MOTION TO
	)	DISMISS COUNTS 1, 2 AND 3 OF
Defendants.	)	PLAINTIFF'S SECOND
	)	AMENDED COMPLAINT AS
	)	MOOT [FED. R. CIV. P. 12(B)(1)]

NOTICE

To the court and all interested parties, please take notice that a hearing on Defendants Matthew Katzer and Kamind Associates, Inc.'s Motions to Dismiss Counts 1, 2 and 3 of Plaintiff's Second Amended Complaint as Moot will be held on April 11, 2008 at 9:00 a.m. in

Case Number C 06 1905 JSW
Defendants' Motion to Dismiss

1 Courtroom 2, Floor 17, of the above-entitled court located at 450 Golden Gate Avenue, San
2 Francisco, California.

3 **MOTION**

4 Defendants Matthew Katzer (“Katzer”) and Kamind Associates, Inc. (“KAM”) move the
5 court for an order dismissing Counts 1, 2 and 3 of Plaintiff’s second amended complaint, and the
6 associated relief requested in Plaintiff’s Prayer for Relief A, B, C, D, E, F, G and T (requesting
7 costs and attorney fees pursuant to 35 U.S.C. § 285), as moot under Fed. R. Civ. P. 12(b)(1).

8 **STATEMENT OF ISSUES TO BE DECIDED**

- 9 1. Whether Counts 1, 2 and 3 and the associated relief requested in Plaintiff’s Second
10 Amended Complaint should be dismissed as moot.

11 **STATEMENT OF RELEVANT FACTS**

12 The second amended complaint contains 7 counts against KAM and/or Katzer. Three of
13 the claims request declaratory relief relating to the patent-in-suit, the ‘329 patent. Currently
14 pending before this Court is Defendants’ 12(b)(6) motion to dismiss Plaintiff’s Digital
15 Millelleum Copyright Act (DMCA) claim and Plaintiff’s breach of contract claim (counts 5 and
16 6 respectively). This pending motion also requests that this Court strike all portions of the
17 amended complaint seeking attorney fees and statutory damages pursuant to 17 U.S.C. §§ 504,
18 505. The present motion seeks to dismiss Count 1 (Declaratory Judgment of Unenforceability of
19 the ‘329 patent, Count 2 (Declaratory Judgment of Invalidity of the ‘329 Patent), and Count 3
20 (Declaratory Judgment of Non-Infringement of the ‘329 Patent) of the Second Amended
21 Complaint. Additionally, this motion seeks to dismiss Plaintiff’s associated relief requested in
22 Plaintiff’s Prayer for Relief A, B, C, D, E, F and G relating to requests for declarations and an
23 injunction relating to the ‘329 patent as well as Prayer for Relief T requesting a determination by
24 this Court that this is an “exceptional case” and that Plaintiff is entitled to an award of costs and
25 attorney fees pursuant to 35 U.S.C. § 285.

1 This motion is based on the Defendants' February 1, 2008 Disclaimer in Patent under 37
2 C.F.R. 1.321(a) filed with the United States' Patent and Trademark Office, disclaiming all claims
3 in the '329 patent. *See* Exhibit A to Decl. of Matthew Katzer. This divests the Court of subject
4 matter jurisdiction.

5 ARGUMENT

6 1. Standard of Review

7 A motion to dismiss is proper under Fed. R. Civ. P. 12(b)(1) for lack of subject matter
8 jurisdiction. In this case, Defendants recent action of filing a Disclaimer of the '329 patent
9 removes this Court of subject matter jurisdiction under both the (1) case or controversy
10 requirement for federal court jurisdiction in the U.S. Constitution, and (2) the doctrine of
11 mootness.

12 Lack of subject matter jurisdiction may be raised at any stage of the litigation. *Morongo*
13 *Band of Mission Indians v. Cal. State Board of Equalization*, 858 F.2d 1376, 1380 (9th Cir.
14 1988). Because this Court's power to hear the case is at stake, this Court is not limited to
15 considering only the allegations in the complaint and this court may consider extrinsic evidence.
16 *Augustine v. United States*, 704 F.2d 1074, 1077 (9th Cir. 1983).

17 2. Discussion

18 The United States Constitution limits federal judicial power to designated "cases" or
19 "controversies." U.S. Constit., Art. III, § 2. Thus, federal courts may only determine such
20 matters that arise in the context of an actual "case" or "controversy." *SEC v. Medical Comm'n*
21 *for Human Rights*, 404 U.S. 403, 407, 92 S. Ct. 577, 30 L. Ed.2d 560 (1972). Consistent with
22 this Constitutional requirement, the Declaratory Judgment Act, 28 U.S.C. § 2201(a) (2007)
23 provides that a district court has jurisdiction over a declaratory judgment action only when there
24 exists an "actual controversy." An actual controversy must exist at all stages of review, not
25 merely at the time the complaint is filed. *Preiser v. Newkirk*, 422 U.S. 395, 401, 95 S.Ct. 2330,
26 45 L. Ed.2d 272 (1975). It is the burden of the party claiming declaratory judgment jurisdiction

1 to establish that such jurisdiction existed at the time the claim was filed and that it has continued
2 since. *Steffel v. Thompson*, 415 U.S. 452, 459 n.10, 94 S.Ct. 1209, 39 L.Ed.2d 505 (1974). For
3 an actual controversy to exist in the declaratory actions that Plaintiff asserts, Plaintiff bears the
4 burden of proving that the facts alleged “under all circumstances, show that there is a substantial
5 controversy, between the parties having adverse legal interests, of sufficient immediacy and
6 reality to warrant the issuance of a declaratory judgment.” *MedImmune, Inc., v. Genentech, Inc.*,
7 127 S.Ct. 764, 771, 166 L. Ed. 2d 604 (2007).

8 Here, although an substantial controversy of sufficient immediacy and reality may have
9 existed prior to Defendants filing their Disclaimer of Patent, the filing of the Disclaimer removes
10 any controversy (at all, immediate or otherwise) between the parties that Jacobsen (or anyone
11 else for that matter) will face an infringement suit based on an assertion of the ‘329 patent. The
12 Federal Circuit, prior to the recent *MedImmune* case discussed *supra*, has held that a covenant
13 not to sue contained in a declaration filed in Court by the patentee, in an action seeking
14 declaratory judgments of patent invalidity and noninfringement, covenanting not to “assert any
15 claim of patent infringement against [plaintiff]” was sufficient to “divest a trial court of
16 jurisdiction over a declaratory action.” *Amana Refrigeration, Inc. v. Quadlux, Inc.*, 172 F.3d
17 852, 855, 50 U.S.P.Q.2D (BNA) 1304 (Fed. Cir. 1999) (citing *Super Sack Mfg. Corp. v. Chase*
18 *Packaging Corp.*, 57 F.3d 1054, 1060, 35 U.S.P.Q.2D (BNA) 1139, 1144 (Fed. Cir. 1995)).

19 Recently, in *MedImmune*, the Supreme Court re-examined the test for determining
20 declaratory judgment jurisdiction. Although neither *Super Sack* nor *Amana* has been expressly
21 overruled, both applied the “reasonable apprehension of imminent suit” test, which was
22 expressly disavowed in *MedImmune*. *MedImmune*, 127 S. Ct. at 774, n.11. The Federal Circuit,
23 however, has recently analyzed the jurisdictional issue, in a patent case with similar facts to the
24 case at bar, in the declaratory judgment context under the new framework of *MedImmune*.
25 Looking to *Super Sack* and *Amana* for guidance and noting that the holdings in both cases are
26 not necessarily dependant on the “reasonable apprehension of imminent harm” requirements, the

1 Federal Circuit held that the defendant, Nucleonics, had not made a showing of “sufficient
2 immediacy and reality” to support declaratory judgment jurisdiction for its counterclaims.
3 *Benitec Austl., Ltd. v. Nucleonics, Inc.*, 495 F.3d 1340 (Fed. Cir. 2007). In *Benitec*, the plaintiff
4 Benitec acknowledged lack of infringement and moved to dismiss its infringement claims, noting
5 that Nucleonics activities are not infringing and could not become infringing until “at least 2010-
6 2012 if ever” (when Nucleonics planned on filing a new drug application.) *Id.* at 1346. Stating
7 that federal courts are not to give opinions on moot questions or abstract propositions, the
8 Federal Circuit held that there was no “substantial controversy between [Benitec and
9 Nucleonics], of sufficient immediacy and reality to warrant the issuance of a declaratory
10 judgment.” *Id.* at 1349.

11 In this case, Defendants have gone farther than merely covenanting not to assert a claim
12 against Jacobsen under the ‘329 patent. Defendants have filed a Disclaimer of all claims of the
13 ‘329 patent. Exhibit A to Decl. of Matthew Katzer. 35 U.S.C. § 253 allows a patentee to
14 “disclaim” some or all claims in a patent and this disclaimer “shall thereafter be considered as
15 part of the original patent to the extent of the interest possessed by the disclaimant and by those
16 claiming under him.” This Disclaimer removes any controversy at all between the parties
17 regarding the ‘329 patent (immediate or otherwise).

18 Additionally, this Disclaimer renders moot Plaintiff’s patent suit and deprives the Court
19 of subject matter jurisdiction to pass on the validity of the ‘329 patent. *See Alta. Telecomms.*
20 *Research Ctr. v. Rambus, Inc.*, 2006 U.S. Dist. LEXIS 81093 at *6 (N.D. Cal 2006) (holding that
21 a Disclaimer filed under 35 U.S.C. § 253 and 37 C.F.R. 1.321 “rendered moot the interfering
22 patent suit and deprived the court of subject-matter jurisdiction”) (citing *Albert v. Kevex Corp.*,
23 729 F.2d 757, 760-761 (Fed. Cir. 1984)). A federal court has no authority to give opinions upon
24 moot questions. *County of Los Angeles v. Davis*, 440 U.S. 625, 627-630 (1979).

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26 ///

1 **3. Conclusion**

2 Based on the above and since no actual or justiciable controversy exists with respect to
3 the '329 patent, Defendants respectfully request that Claims 1, 2 and 3 of the Second Amended
4 Complaint and the associated relief requested in Plaintiff's Prayer for Relief A, B, C, D, E, F, G
5 and T (requesting costs and attorney fees pursuant to 35 U.S.C. § 285) be dismissed with
6 prejudice.

7 Dated February 12, 2008.

8 Respectfully submitted,

9 /s/Scott Jerger

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17 **CERTIFICATE OF SERVICE**

18 I certify that on February 12, 2008, I served Matthew Katzer's and KAM's MOTION TO
19 DISMISS COUNTS 1, 2, AND 3 OF PLAINTIFF'S SECOND AMENDED COMPLAINT AS
20 MOOT on the following parties through their attorneys via the Court's ECF filing system:

21 Victoria K. Hall
22 Attorney for Robert Jacobsen
23 Law Office of Victoria K. Hall
24 3 Bethesda Metro Suite 700
25 Bethesda, MD 20814

26 /s/ Scott Jerger

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