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10 UNITED STATES DISTRICT COURT  
11 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
12 SAN FRANCISCO DIVISION

13 ROBERT JACOBSEN, ) No. C-06-1905-JSW  
14 )  
Plaintiff, )  
15 v. ) **MEMORANDUM IN OPPOSITION TO**  
16 ) **DEFENDANT MATTHEW KATZER**  
MATTHEW KATZER, et al., ) **AND KAMIND ASSOCIATES, INC.'S**  
17 ) **SPECIAL MOTION TO STRIKE**  
Defendants. ) **PLAINTIFF'S LIBEL CLAIM**  
18 ) Date: August 11, 2006  
19 ) Time: 9:00 a.m.  
Courtroom: 2, 17th Floor  
20 ) Judge: Hon. Jeffrey S. White  
21 )  
22 ) Filed concurrently:  
23 ) 1. Declaration of Robert Jacobsen  
24 ) 2. Declaration of Hans Tanner  
25 ) 3. Declaration of Dick Bronson  
26 ) 4. Declaration of John Plocher  
27 ) 5. Proposed Order  
28 )

1 SUMMARY OF ARGUMENT

2 Filing a FOIA request is not a constitutionally protected activity, but a business transaction  
3 that does not fall within the ambit of the Anti-SLAPP statute, Cal. Civ. P. § 425.16. This statute  
4 protects certain activities based on the constitutional right to petition and free speech, such as  
5 making statements at official government meetings, as well as making complaints or reports to  
6 government agencies to prompt an investigation or remedy a harm. Bosley Medical Institute, Inc.  
7 v. Kremer, 403 F.3d 672 (9th Cir. 2005); City of Cotati v. Cashman, 29 Cal. 4th 69 (Cal. 2002).  
8 But the statute does not give protection to all communications with the government – only those  
9 based in the constitutional petitioning or free speech right. Filing a FOIA request is neither a  
10 complaint nor a report to prompt a government investigation or remedy a harm, but is a ministerial  
11 act like a business transaction – money in exchange for copies and records. Ministerial acts are not  
12 protected. Furthermore, there is no constitutional right to non-public government information.  
13 Thus, filing a FOIA request does not constitute a statement before an official proceeding.

14 The FOIA request is not a statement before a judicial proceeding because litigation  
15 privilege does not apply here. For litigation privilege to apply (1) the communication must have  
16 been made preliminary to a proposed judicial or quasi-judicial proceeding; (2) the verbal proposal  
17 of litigation must be made in good faith; (3) the contemplated litigation must be imminent; and (4)  
18 the litigation must be proposed in order to obtain access to the courts for the purpose of resolving  
19 the dispute. Mezetti v. State Farm Mutual Auto. Ins. Co., 346 F. Supp. 2d 1058 (N.D. Cal. 2004).  
20 Here, no litigation was proposed. With Katzer facing inequitable conduct charges if suit was  
21 brought, Defendants could never seriously and in good faith contemplate litigation. Thus,  
22 Defendants cannot raise litigation privilege to protect them from liability.

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1 Because filing a FOIA request is a business transaction and not a constitutionally protected  
2 petitioning activity to redress harms, Plaintiff Robert Jacobsen, through his undersigned counsel,  
3 opposes Defendants Matthew Katzer and KAMIND Associates, Inc.’s Special Motion to Strike  
4 Plaintiff’s Libel Claim.

5 **ISSUES TO BE DECIDED**

6 Is the filing of a FOIA request, in which there is a business transaction – mere exchange of  
7 information for a fee – an official proceeding when no First Amendment right to petition for  
8 redress of harms is triggered?

9 Does the litigation privilege apply when the parties who appeared to be threatening  
10 litigation knew they have no good faith and serious basis for bringing suit and the facts show suit  
11 was not imminent?

12 **MEMORANDUM OF POINTS AND AUTHORITIES**

13 **I. INTRODUCTION**

14 This is a case in which a so-called inventor, Defendant Matt Katzer (“Katzer”), stole ideas  
15 from others, patented them and then tried to crush competitors through patent enforcement.  
16 Katzer, a well-known member in model train control system groups, had in his possession from the  
17 very beginning, numerous references, each of which constituted a prima facie case of  
18 unpatentability<sup>1</sup> which he would never have been able to overcome. Katzer then attempted to  
19 enforce these ill-gotten patents against numerous manufacturers and hobbyists. Plaintiff Robert  
20 Jacobsen, a target of Katzer’s illegal conduct, brought this lawsuit to ask this court to determine his  
21 rights as they relate to one particular fraudulently obtained patent – the ‘329 patent.

22 Katzer could not have committed his massive fraud alone – he needed an attorney. Katzer  
23 worked with one, Defendant Kevin Russell (“Russell”), to prosecute his patent applications and  
24 trademark applications. Through Russell, Katzer obtained 11 U.S. patents. From the very first

25 \_\_\_\_\_  
26 <sup>1</sup> “A prima facie case of unpatentability is established when the information compels a conclusion  
27 that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving  
28 each term in the claim its broadest reasonable construction consistent with the specification, and  
before any consideration is given to evidence which may be submitted in an attempt to establish a  
contrary conclusion of patentability.” 37 C.F.R. § 1.56(b).

1 patent application, filed on June 24, 1998, Russell himself has had in his possession 4 prior art  
2 references, each of which, inter alia, constituted a prima facie case of unpatentability. He never  
3 produced these references to the United States Patent and Trademark Office (USPTO). Thus, he  
4 committed inequitable conduct, which made the patent and its related patents unenforceable. In  
5 2002, manufacturers confronted Katzer with inequitable conduct charges, and more prior art.  
6 Katzer had 2 applications open for prosecution on the merits, and was required by law to make the  
7 patent examiner aware of material references. He failed to produce any of these or the earlier  
8 references. In January 2006, Mr. Jacobsen charged Russell with inequitable conduct after  
9 Defendants accused him of infringement, filed a FOIA request with Mr. Jacobsen's employer, and  
10 sent him numerous bills. Defendants had an application open for prosecution on the merits. They  
11 still did not produce the prior art for the patent examiner. Yet again, they committed inequitable  
12 conduct. Only when served with this Complaint did Defendants have Russell finally produce  
13 references to the USPTO. On April 3, 2006, when a 12th Katzer patent was on the verge of  
14 issuing, Russell filed a Request for Continued Examination, citing as the reason a violation of Rule  
15 56 and the illegality of the application.

16 Mr. Jacobsen has sued Katzer and KAMIND Associates, Inc. ("Defendants") for  
17 declaratory judgment that the patents are unenforceable, invalid and not infringed, and other  
18 claims. Among the claims is a claim for libel arising from the filing of the FOIA request.  
19 Defendants seek to strike the libel claim under the anti-SLAPP Act. Because filing the FOIA  
20 request is not a constitutionally protected activity, the court should deny Defendants' motion.

## 21 II. FACTS

22 Katzer is a member of the National Model Railroad Association Digital Command Control  
23 (DCC) Working Group. Jacobsen Decl. ¶ 15. The DCC Working Group develops new standards  
24 for control systems hardware and software for use to control model trains. As a member of the  
25 DCC Working Group, and self-proclaimed expert, Katzer evaluated and obtained numerous other  
26 manufacturers' and hobbyists' control systems software. Jacobsen Decl. ¶¶ 86-101, 103-04, 110,  
27 115-18, 134-40. Important manufacturers in model train control systems are Digitrax, DigiToys  
28

1 and Railroad & Co, among others.

2 Digitrax developed a network protocol called LocoNet, which works with a Digitrax  
3 command station to implement a feature called the Bushby bit. Jacobsen Decl ¶ 87. This feature  
4 allows a user to send signals from multiple programs to a single central program, which relays  
5 commands to the command station. Id. Katzer later claimed this functionality as Claim 1 in his  
6 first patent application. Id. DigiToys has a software interface, WinLok, which allows users to send  
7 commands from multiple programs in independent windows to one or more DCC systems, which  
8 in turn control trains or other items on the track layout. Tanner Decl ¶ 6. Katzer also claimed  
9 capabilities of Railroad & Co.’s product in his patent applications. Jacobsen Decl ¶¶ 107, 112.

10 Throughout the 1990s, Katzer himself developed various control systems software products  
11 for KAM Industries, now called KAMIND Associates, Inc. These products included Train Tools,  
12 Train Server, Computer Dispatcher, and Engine Commander. Jacobsen Decl. ¶¶ 119-25. Katzer  
13 discussed his products and their capabilities in his presentations at National Model Railroad  
14 Association (NMRA) conferences in the mid- to late 1990s. Jacobsen Decl. ¶¶ 116-18, 128. Katzer  
15 advertised these products for sale in Model Railroader magazine, beginning in 1995. Jacobsen  
16 Decl. ¶¶ 92-94. Engine Commander was advertised in the January 1995 issue of Model Railroader.  
17 Jacobsen Decl. ¶ 92. By December 18, 1996, Katzer was advertising that Engine Commander  
18 would be available for shipment in January 1997, and would offer “[d]ual controller support on  
19 multiple serial ports (1-10) so that you can run one controller on one port and another controller on  
20 another port.” Jacobsen Decl. ¶ 126. This is an embodiment of the invention. Jacobsen Decl. ¶  
21 127. Katzer admitted on his website that Train Server was available for sale beginning in 1996.  
22 Jacobsen Decl. ¶ 119. According to Katzer, “Train Server is such an innovative and unique  
23 programming environment that that numerous patents (see footnotes ... ) have been granted to  
24 KAM both [sic] in the United States, Germany, Great Britain, Canada and other countries.” Id.  
25 The footnotes Katzer refers to include all 10 U.S. patents that had issued at the time, including  
26 ‘406, the patent that issued from the first application, and ‘329, the patent-in-suit. Id.

27 On June 24, 1998, Katzer had his attorney, Russell, file the first of a series of patents.  
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1 Jacobsen Decl. ¶ 102. But Katzer had sold, offered for sale or published his own products  
2 embodying the “invention” more than 1 year before the filing date. Katzer admitted to this in his  
3 trademark applications. The first use in commerce of “Train Server” was on or before June 1997.  
4 Jacobsen Decl. ¶ 123. The first use in commerce of “Engine Commander” was on or before Jan. 1,  
5 1993. Jacobsen Decl. ¶ 121. Katzer patented what other manufacturers and hobbyists had done  
6 long before, and did not acknowledge them – with one exception. In this application, Katzer and  
7 Russell identified a software program by DigiToys of Lawrenceville, Georgia. See Tanner Decl.  
8 ¶¶ 18, 24. The software program, WinLok, had a user’s manual, but neither Katzer nor Russell  
9 listed it on the Information Disclosure Sheet. Tanner Decl. ¶¶ 5, 8; see Jacobsen Decl. ¶ 108. The  
10 user’s manual discloses WinLok features that were claimed by Katzer in his first patent  
11 application. Jacobsen Decl. ¶ 107. Numerous references anticipated the claims in Katzer’s patent  
12 applications, but the USPTO – without the prior art that Katzer and Russell should have produced –  
13 issued patent, after patent, after patent to Katzer.

14 In 2001, Bob Jacobsen and other model train enthusiasts began an open source project for a  
15 new model train control systems software. See Jacobsen Decl. ¶ 9. On March 27, 2002, JMRI  
16 posted a notice about changes that would appear in the next version of the software. Jacobsen  
17 Decl. ¶ 62. Among the capabilities were multiple programs running multiple trains at the same  
18 time on the same model train layout. Id. The release was posted and publicly announced April 14,  
19 2002. Jacobsen Decl. ¶ 64. The notice was sent to listservs that Matt Katzer belongs to. Jacobsen  
20 Decl. ¶¶ 70-73. On April 17, 2002, Russell filed a continuation application (the ‘878 application)  
21 with claims that captured the capabilities in the new JMRI release. Jacobsen Decl. ¶¶ 67-69, 79.

22 On September 18, 2002, after several patents issued, Katzer, through Russell, first filed a  
23 protective lawsuit and then sent a cease and desist letter Mireille Tanner, wife of Hans Tanner.  
24 Tanner Decl. ¶¶ 17-19; Jacobsen Decl. ¶ 109. Hans Tanner owns DigiToys, the maker of the  
25 software program identified in the first, and all, patent applications. Tanner Decl. ¶ 24; Jacobsen  
26 Decl. ¶ 108. Hans Tanner wrote Katzer’s attorney Russell on Oct. 3, 2002, and deposited letters  
27 into the file wrappers of the three patents Katzer and Russell accused him of infringing. Tanner  
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1 Decl. ¶¶ 21, 33. Dr. Tanner stated that the accused capabilities of his program were present in  
2 versions of WinLok that pre-dated Katzer's earliest patent filing date, and that a user's manual  
3 included with WinLok 2.0 identified these capabilities. Tanner Decl. ¶ 25. Dr. Tanner also  
4 accused Katzer of violating 37 C.F.R. § 1.56. Tanner Decl. Ex. F. In December 2002, Katzer had  
5 the lawsuit dismissed against Tanner without serving him. Jacobsen Decl. ¶ 109.

6 At the time Katzer and Russell received the letter from Dr. Tanner, the '878 application was  
7 still open for prosecution on the merits. Jacobsen Decl. ¶ 69. Neither Russell nor Katzer produced  
8 the references identified by Dr. Tanner to the patent examiner. Id. Prosecution on the merits  
9 closed on Nov. 4, 2002, and the '329 patent issued on Mar. 11, 2003 – the patent-in-suit in this  
10 case. Id.

11 Beginning in March 2005, Katzer had Russell send letters to Mr. Jacobsen accusing him of  
12 patent infringement. Jacobsen Decl. ¶¶ 26-27. In August 2005, Katzer drafted a "sales receipt" for  
13 more than \$200,000, and included it in one of Russell's letters. Jacobsen Decl. ¶¶ 30-31. Russell  
14 sent letters on a roughly monthly basis afterward, including invoices for more than \$200,000 and  
15 with interest added. Jacobsen Decl. ¶ 40. Then, in October 2004, Katzer had Russell file a FOIA  
16 request with the U.S. Department of Energy. See Russell Ex. 4. He accused Mr. Jacobsen of  
17 infringing KAMIND Associates' patents. Jacobsen Decl. ¶ 35. Russell authorized the payment of  
18 up to \$5,000 for copies of Mr. Jacobsen's e-mails, among other items. Katzer Decl. Ex. 1. The  
19 Department of Energy classified the search as a "commercial use" request. Katzer Decl. Ex. 1.  
20 Mr. Jacobsen is a physics researcher at a prestigious research facility. Jacobsen Decl. ¶ 3. He  
21 cannot use his mail at Lawrence Berkeley National Lab (Lab) to infringe copyrights or patents.  
22 Jacobsen Decl. ¶¶ 47-48. If he does so, he can be fired. Jacobsen Decl. ¶ 49. Moreover,  
23 accusations of using another's work without giving that person credit destroy careers. Jacobsen  
24 Decl. ¶ 53. At UC Berkeley, it is one of only two bases that can cause a tenured professor to be  
25 fired. Jacobsen Decl. ¶ 51. After the FOIA request was forwarded to the Lab, Mr. Jacobsen was  
26 called into his boss' office at the Lab and ordered to explain why Russell had filed the FOIA  
27 request. Jacobsen Decl. ¶ 39. The accusation embarrassed Mr. Jacobsen. Id. After Katzer and  
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1 Russell sent Robert Jacobsen numerous bills and harassing letters, and filed the FOIA request, Mr.  
2 Jacobsen filed the present action. Among the causes of action is a claim for libel for making a false  
3 statement that Mr. Jacobsen is infringing a presumably valid and enforceable patent. Given that  
4 Mr. Jacobsen is a researcher working in a field where he must give other people credit for their  
5 work or else face serious charges, Katzer and Russell's statement constituted libel.

### 6 **III. ARGUMENT**

7 The anti-SLAPP act covers constitutionally protected activity, such as filing of lawsuits,  
8 statements made at hearings, or reports to government agencies to prompt an investigation or  
9 remedy a harm. It does not protect all contacts or communications with the government. For a  
10 defendant to successfully strike a claim under the anti-SLAPP act, he must show that the claim is  
11 based on a constitutionally protected activity. Bosley Medical Institute, Inc. v. Kremer, 403 F.3d  
12 672, 682 (9th Cir. 2005). If he cannot make a showing, his motion to strike fails. If he succeeds,  
13 then the burden shifts to the plaintiff to show he has a probability of succeeding. A.F. Brown Elec.  
14 Contractor, Inc. v. Rhino Elec. Supply, Inc., 137 Cal. App. 4th 1118, 1125 (Ct. App. 2006). Here,  
15 Defendants claim that the FOIA filing is a statement made before an official proceeding authorized  
16 by law. They also claim that the FOIA filing was done in preparation for filing a lawsuit, and thus  
17 is protected as a statement made before a judicial proceeding. But as the facts and precedent will  
18 show, Defendants' FOIA request does not constitute a protected activity under the anti-SLAPP Act  
19 because it is not based on the constitutional right to petition the government for redress of harms.

#### 20 **A. Filing a FOIA request does not constitute making a statement before an official** 21 **or judicial proceeding**

22 The anti-SLAPP statute, Cal. Civ. P. § 425.16, provides broad protection for some, but not  
23 all contacts, with the government. Coverage is only for those acts that are based on constitutionally  
24 protected activities, as defined by the statute. The statute makes a protected activity "any written  
25 or oral statement or writing made before a legislative, executive, or judicial proceeding, or any  
26 other official proceeding authorized by law....". Cal. Civ. Code § 425.16(e)(1). This protection is  
27 broad, and covers not only statements made before a hearing held by one of these bodies, but also  
28 statements made to these bodies to prompt an investigation or to seek a remedy. See e.g., Briggs v.

1 Eden Council for Hope & Opportunity, 19 Cal.4th 1106, 1115 (1999) (claim based on report to  
2 HUD and action in civil courts stricken); Fontani v. Wells Fargo Investments, LLC, 129 Cal. App.  
3 4th 719, 729-30 (Ct. App. 2005) (U-5 form required to be filed with NASD; one of its purposes is  
4 to “trigger a regulatory investigation where warranted”, thus claim based on its filing was stricken);  
5 ComputerXpress, Inc. v. Jackson, 93 Cal. App. 4th 993, 1009 (Ct. App. 2001) (claim based on  
6 complaint to SEC stricken); Wise v. Thrifty Payless, Inc., 83 Cal. App. 4th 1296, 1301-02 (Ct.  
7 App. 2000) (report to DMV was made to trigger investigation; if claim based on report to DMV  
8 had been included, it would have been stricken); Dove Audio, Inc. v. Rosenfeld, Meyer &  
9 Susman, 47 Cal. App. 4th 777, 784 (Ct. App. 1996) (claim based on collection of information in  
10 preparation for report to Attorney General stricken due to litigation privilege; no question arose  
11 that litigation privilege applied).

12 But not all contacts or communications with the government are protected activities. “No  
13 lawsuit is properly subject to a special motion to strike under section 425.16 unless its allegations  
14 arise from acts in furtherance of the right to petition or free speech.” Kajima Eng’g &  
15 Construction, Inc. v. City of Los Angeles, 95 Cal.App.4th 921, 924 (Ct. App. 2002). “[T]he  
16 critical point is whether the plaintiff’s cause of action itself was based on an act in furtherance of  
17 the defendant’s right of petition or free speech.” City of Cotati v. Cashman, 29 Cal. 4th 69, 78  
18 (Cal. 2002). A statement made to a government entity as a part of a ministerial act or business  
19 transaction is not a protected activity. Blackburn v. Brady, 116 Cal. App. 4th 670, 676-78 (Ct.  
20 App. 2004). Recent Ninth Circuit case law supports the view that a minor business transaction  
21 does not fall within the ambit of the anti-SLAPP Act. Bosley Medical Institute, Inc. v. Kremer,  
22 403 F.3d 672, 682 (9th Cir. 2005) (lawsuit based on domain name dispute does not involve First  
23 Amendment rights per se, thus anti-SLAPP does not apply). The statute does not cover statements  
24 that have a remote chance of being used in litigation. People ex rel. 20th Century Ins. Co. v.  
25 Building Permit Consultants, Inc., 86 Cal. App. 4th 280, 284-85 (Ct. App. 2000) (claim based on  
26 fraudulent statement made allegedly in anticipation of litigation not covered by statute). “Hollow  
27 threats” of litigation, which are really tactical ploys to negotiate bargains, are not protected.

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1 Mezetti v. State Farm Mutual Auto. Ins. Co., 346 F. Supp. 2d 1058, 1065 (N.D. Cal. 2004).

2 Katzer argues that the filing of the FOIA request is a statement made before an official  
3 proceeding – the Department of Energy (DOE). He also argues that the FOIA request is a  
4 statement made before a judicial proceeding, as an act done in preparation for litigation. The facts  
5 and the case law do not support him, and thus the court should deny his anti-SLAPP motion.

6 **B. The FOIA request is not a statement made before DOE because it would not**  
7 **have led to an investigation or remedy, but a production of documents**

8 Katzer’s libelous statements are not statements made before an official proceeding, as that  
9 terms is defined by the statute. Rather these statements were made during the course of a business  
10 or commercial transaction. Katzer offered to pay DOE \$5,000 in exchange for information relating  
11 to Mr. Jacobsen’s activities at the Lab. Clearly, an offer of \$5,000 in exchange for information is  
12 not the type of speech that § 425.16 was designed to protect. By arguing that it does, Katzer invites  
13 this Court to broaden the applicability of § 425.16 to include minor business transactions between a  
14 citizen and the government, a broadening not envisioned by the drafters of § 425.16 . This Court  
15 should not accept this invitation.

16 As noted above, protected activities are those based on the right to petition the government  
17 for redress of harms, or the right to free speech. Common to all cases cited by Defendants where  
18 claims were stricken under the anti-SLAPP Act, are complaints made to the government, or  
19 investigations leading to complaints to be made to the government – protected “on the theory that  
20 open communications is a fundamental adjunct to the right of access to ... proceedings.” Edwards  
21 v. Centex Real Estate Corp., 53 Cal. App. 4th 15, 30 (Ct. App. 1997). Even in Fontani, which  
22 should be considered the high water mark for protected activities, one purpose for the U-5 form in  
23 which defendant Wells Fargo used to report broker-dealer Fontani, was to trigger a regulatory  
24 investigation where warranted. Fontani v. Wells Fargo Investments, LLC, 129 Ca. App. 4th 719,  
25 729 (Ct. App. 2005). The court used this as a basis for finding that the filing of that form was a  
26 protected activity. Id. at 730. Unlike these activities, which are protected under the right to  
27 petition the government for redress of harms, there is no constitutional right to a FOIA request.  
28 McGehee v. Casey, 718 F.2d 1137, 1147 (D.C. Cir. 1983) (“[C]itizens have no first amendment

1 right of access to traditionally non-public government information.”) “The basic purpose of FOIA  
2 is to ensure an informed citizenry....” NLRB v. Robbins Tire & Rubber Co., 437 U.S. 214, 242  
3 (1978). Further, the purpose of the FOIA is to get information, not to prompt an investigation. 10  
4 C.F.R. § 1004.1 (“Records of the DOE made available pursuant to the requirements of 5 U.S.C.  
5 552 shall be furnished to members of the public as prescribed by this part.”); 10 C.F.R. § 1004.4  
6 (describing elements of a request); 10 C.F.R. 1004.5 (describing procedure for processing  
7 requests); 10 C.F.R. § 1004.9 (describing fees for document search and production). Thus, the  
8 FOIA request is not based on the right to petition for redress of harms. The claim for libel is not  
9 based on a complaint to the U.S. Department of Energy or UC Berkeley to prompt an investigation  
10 because Defendants never filed a complaint. Through Russell, they filed a request for information.  
11 Thus, the claim for libel cannot be based on a non-existent protected activity, and Defendants’  
12 argument fails.

13 Defendants argue that a FOIA request is a statement before an official meeting authorized  
14 by law and cites Fontani as support that because it was intended to “prompt action” by the  
15 Department of Energy. For support, Katzer conveniently states now – for the sole purpose of  
16 trying to bootstrap a protected activity to claim the benefit of the anti-SLAPP statute – that the  
17 filing was meant to warn the Department of Energy that it was engaging in infringing activities.<sup>2</sup>  
18 First, there is no “cease and desist” warning in the FOIA itself. Russell Decl. Ex. 4. Next, aside  
19 from the fact that offering \$5,000 to try to prompt official action smacks of attempted bribery, not  
20 all contacts or communications with the government are protected activities under the anti-SLAPP  
21 Act. The FOIA request, which in essence is a business transaction – an exchange of money for  
22 documents, is not a protected activity. Next, Fontani does not support Defendants’ assertion that  
23 the filing is a protected activity. As noted above, in Fontani, the court held that because one of the  
24 purposes of the U-5 form, in which the allegedly defamatory statement was made, was to prompt  
25 action by the NASD to discipline broker-dealers, the filing of the U-5 form was a protected  
26 activity. As a review of the DOE Code of Federal Regulations section on FOIA shows, no

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28 <sup>2</sup> This assertion is ridiculous. The Lawrence Berkeley Lab is a research facility, not a hotbed of  
model train control systems software production. Jacobsen Decl. ¶ 5.

1 government inquiry into the alleged infringement would have resulted from the FOIA request. No  
 2 remedy would have been given. The only thing that would have resulted is a search for records,  
 3 and a production of those records, in exchange for a payment of up to \$5,000 – a business  
 4 transaction. Thus, because the statement was made neither at a government agency hearing, nor to  
 5 the agency to prompt official action to investigate a complaint, or remedy a harm, the filing of a  
 6 FOIA request is not a protected activity made before an official proceeding authorized by law.

7 **C. The FOIA request was not made before a judicial proceeding because litigation**  
 8 **privilege does not apply**

9 Katzer’s libelous statements were not made before a judicial proceeding as defined by  
 10 statute and precedent, and accordingly are not protected. Filing a lawsuit constitutes a protected  
 11 activity under § 425.16. Navellier v. Sletten, 29 Cal. 4th 82, 90 (Cal. 2002). But Defendants never  
 12 filed a lawsuit against Mr. Jacobsen – although they lied in the FOIA that they had in order to scare  
 13 Mr. Jacobsen. Defendants did file lawsuits against Freiwald Software and some of its distributors,  
 14 and against Mireille Tanner, before sending them “cease and desist” letter, but not Robert  
 15 Jacobsen. Activities in preparation for litigation are also protected by § 425.16, but only when they  
 16 are done in serious and good faith contemplation of litigation. Mezetti v. State Farm Mutual Auto.  
 17 Ins. Co., 346 F. Supp. 2d 1058 (N.D. Cal. 2004) (describing litigation privilege under Cal. Civ. §  
 18 47(b)).<sup>3</sup> Four elements must be present for privilege to attach:

19 First, “the communication must have been made preliminary to a proposed judicial  
 20 or quasi-judicial proceeding.” Second, “the verbal proposal of litigation must be  
 21 made in good faith.” Third, “the contemplated litigation must be imminent.”  
 22 Fourth, “the litigation must be proposed in order to obtain access to the courts for  
 the purpose of resolving the dispute.” The court noted that “[t]he critical point of  
 each of these four elements is that the mere potential or ‘bare possibility’ that  
 judicial proceedings ‘might be instituted’ in the future is insufficient to invoke the  
 litigation privilege.”

23 Mezetti, 346 F. Supp. 2d at 1065 (quoting Edwards v. Centex Real Estate Corp., 53 Cal.  
 24 App. 4th 15, 35 (Ct. App. 1997)) (citations omitted). “In every case, the privileged communication  
 25 must have some relation to an imminent lawsuit or judicial proceeding which is actually

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 27 <sup>3</sup> “[C]lauses (1) and (2) of section 425.16, subdivision (e) ... are coextensive with the litigation  
 28 privilege under Civil Code section 47(b).” A.F. Brown Elec. Contractor, Inc. v. Rhino Elec.  
Supply, Inc., 137 Cal. App. 4th 1118, 1125 (Ct. App. 2006).

1 contemplated seriously and in good faith to resolve a dispute, and not simply as a tactical ploy to  
2 negotiate a bargain.” Id. (quoting Edwards, 53 Cal. App. 4th at 36). “The bare possibility that the  
3 proceeding might be instituted is not to be used as a cloak to provide immunity when the  
4 possibility is not considered.” Visto Corporation v. Sproqit Techs., Inc., 360 F. Supp. 2d 1064,  
5 1069 n.3 (N.D. Cal. 2005). Whether Defendants’ activities were taken in preparation of litigation  
6 is a question of fact that must be resolved before the privilege is to apply. Eisenberg v. Alameda  
7 Newspapers, Inc., 74 Cal. App. 4th 1359, 1379 (Ct. App. 1999). Here, because of the 1-year delay,  
8 and the admission of illegal conduct by both Russell and Katzer in prosecuting many, if not all,  
9 patents,<sup>4</sup> Russell and Katzer – despite their threats – could not have seriously and in good faith  
10 contemplated litigation against Mr. Jacobsen. Instead, their letters and the FOIA request were a  
11 “tactical ploy” unworthy of protection under the litigation privilege. Analysis of the facts  
12 demonstrates this.

13 First, the statement must be made preliminary to proposed litigation. For 1 year,  
14 Defendants had letters sent accusing Mr. Jacobsen of infringement, but they never filed a lawsuit  
15 against Mr. Jacobsen. Although Russell lied in the FOIA about one to the DOE, Russell admits in  
16 his declaration that the purpose of the letters to Mr. Jacobsen was to “engag[e] his attention to this  
17 manner [sic].” Russell Decl. ¶ 7. He said he “cautioned” Mr. Jacobsen, “suggest[ed] how the  
18 JMRI product may be modified”, and “offer[ed] to license the patent” to Mr. Jacobsen. Russell  
19 Decl. ¶ 4. There was no proposed litigation.

20 Second, the proposal – if the court finds any – needs to have been made in good faith. As  
21 noted, Katzer knew he was patenting others’ inventions from the very beginning. Katzer signed an  
22 oath stating that he was the original, first and sole inventor and knew of no reasons why he should  
23 not be awarded the patent. Jacobsen Decl. ¶ 102. Katzer also acknowledged “the duty to disclose  
24 information which is material to the examination of [the] application,” per Rule 56. Id. When he  
25 signed the oath, Katzer knew he had lied to the USPTO and committed inequitable conduct, and  
26 that if ever found out, he would lose his patent rights. This is why he dropped the two lawsuits  
27

28 <sup>4</sup> E.g. Consolidated Aluminum Corp. v. Foseco Int’l Ltd., 910 F.2d 804, 809 (Fed. Cir. 1990).

1 against Dr. Tanner and Mr. Freiwald after they wrote back to Russell. With the sword of Damocles  
2 over their heads, Defendants could not have been proposing to Mr. Jacobsen litigation in good  
3 faith.

4 Third, the contemplated litigation must be imminent. The facts here show that litigation  
5 was not imminent. Five months passed after the FOIA request was filed, and Defendants did not  
6 file litigation. They just continued to harass Jacobsen. They could do little else because of the  
7 massive inequitable conduct and fraud of the patent office that Katzer had committed.

8 Finally, the litigation must be proposed in order to obtain access to the courts for the  
9 purpose of resolving the dispute. Here it was not. As demonstrated by the exhibits, any litigation  
10 brought by Defendants would never ended in their favor, and they knew it. If any litigation was  
11 proposed, it was a mere tactical ploy to get Mr. Jacobsen to shut down his project and hand over  
12 more than \$200,000 to Katzer.

13 Defendants argue that the filing of the FOIA request was done in anticipation of litigation  
14 and sent to the DOE to warn the DOE of its infringing activities. As noted earlier, there was no  
15 “cease and desist” warning in the FOIA. Further, “... FOIA was not intended to function as a  
16 private discovery tool.” NLRB v. Robbins Tire & Rubber Co., 437 U.S. 214, 242 (1978). Katzer  
17 states – apparently with a straight face – that he believed that the U.S. Department of Energy was  
18 sponsoring the JMRI project. Katzer Decl. ¶ 3. This is simply not the case.<sup>5</sup> In the world of  
19 model train control systems, there are few players and they all know each other or know of each  
20 other. Jacobsen Decl. ¶ 16. Katzer and Jacobsen have known each other since 2001 when Mr.  
21 Jacobsen first contacted Katzer about control systems for model trains. Jacobsen Decl. ¶¶ 14, 17.

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22 <sup>5</sup> He also states that he “had no knowledge of Mr. Jacobsen’s employment status, either with the  
23 DOE or any other employer.” Katzer Decl. ¶ 6. But in Paragraph 4.d of his declaration, Katzer  
24 states “I determined that the lbl.gov email address was associated with the DOE.” Furthermore, by  
25 going to the www.lbl.gov address, and selecting “Scientific Programs” on the web page, one will  
26 find approximately 25 National User Facilities and Scientific Divisions – one of which is the  
27 Physics Division. Mr. Jacobsen’s association with LBL is not apparent from the website. One  
28 needs to perform a search to determine that Mr. Jacobsen works at the Physics Division. Jacobsen  
Decl. ¶ 38. While Katzer states that he had no knowledge of Mr. Jacobsen’s status, the truth is that  
Katzer knew enough about Mr. Jacobsen’s employment to target the FOIA request directly to the  
“Physics Division Berkley [sic] Livermore Labs”, where Mr. Jacobsen worked. Katzer Decl. Ex.  
1.

1 Katzer knew it was a fellow hobbyist creating the software. Jacobsen Decl. ¶¶ 14-22. He knows  
2 that other people working on the JMRI project are fellow hobbyists. Jacobsen Decl. ¶ 25. Katzer  
3 attended the same NMRA conferences that Jacobsen did. Jacobsen Decl. ¶ 17. Katzer gave  
4 presentations and workshops on his software at these conferences. Jacobsen Decl. ¶ 18. Jacobsen  
5 did the same for JMRI. Jacobsen Decl. ¶ 9. Katzer occasionally attended JMRI presentations.  
6 See Jacobsen Decl. ¶ 20. Never once at any presentation did Jacobsen or anyone else associated  
7 with the project state or infer that DOE was sponsoring the project. Jacobsen Decl. ¶¶ 21-22;  
8 Tanner Decl. ¶¶ 37-43; Bronson Decl. ¶¶ 2-6; Plocher Decl. ¶¶ 2-7. Thus, Katzer's reason for  
9 sending the FOIA is not true, and the truth emerges -- Katzer and Russell used the FOIA to further  
10 their admittedly illegal conduct and to harass of Mr. Jacobsen. Clearly, based upon Katzer's  
11 admission of illegal conduct via Russell to the USPTO their threats were not made in serious and  
12 good faith contemplation of litigation. Thus, their actions are not statements made before a judicial  
13 proceeding, and their activities are not protected under the anti-SLAPP act.

#### 14 **IV. SUMMARY**

15 There is no constitutional right to get non-public information from the federal government,  
16 nor is there a constitutional right to engage in a business transaction with the federal government.  
17 Hence, no constitutional rights are invoked when a person sends a FOIA request to a federal  
18 agency – a transaction of money for copies. Defendants attempt to cast the filing of the FOIA  
19 request as a complaint in order to have it fall within § 425.16's ambit, but the FOIA request simply  
20 isn't a complaint. No remedy could have been given. No investigation would have been made into  
21 the allegations. The only result could have been document production by DOE. If Defendants  
22 wanted to file a complaint, they could have easily done so by sending a complaint to DOE instead  
23 of offering \$5,000 for information. Thus, the filing of the FOIA request is not a statement made  
24 before an official agency authorized by law.

25 Next, Defendants attempt to rely on litigation privilege to have the statement fall within §  
26 425.16's ambit. However, Defendants never filed a lawsuit against Mr. Jacobsen, as they did with  
27 Mireille Tanner and Juergen Freiwald. A year passed with no filing. Statements are protected  
28

