

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

**CIVIL MINUTES – GENERAL**

Case No. CV 16-9185-DOC (DFMx)

Date: February 26, 2019

Title: SPIGEN KOREA CO., LTD V. LIJUN LIU ET AL

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PRESENT:

THE HONORABLE DAVID O. CARTER, JUDGE

Deborah Lewman  
Courtroom Clerk

Not Present  
Court Reporter

ATTORNEYS PRESENT FOR  
PLAINTIFF:  
None Present

ATTORNEYS PRESENT FOR  
DEFENDANTS:  
None Present

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**PROCEEDINGS (IN CHAMBERS): ORDER DENYING DEFENDANTS  
ULTRAPROOF INC. CALIFORNIA,  
ULTRAPROOF INC. NEVADA, AND  
ENDLISS TECHNOLOGY INC'S  
FOR ATTORNEYS FEES [220]**

Before the Court is Defendants Ultraproof Inc. California (“Ultraproof California”), Ultraproof Inc. Nevada (“Ultraproof Nevada”), and Endliss Technology Inc.’s (“Endliss Technology”) (collectively, “Defendants”) Motion for Attorney Fees under 35 U.S.C. § 285 (“Motion”) (Dkt. 220). The Court heard oral arguments from Defendants and Plaintiff Spigen Korea Co., Ltd. (“Spigen” or “Plaintiff”) on February 25, 2019. Having reviewed the moving papers and considered the parties’ arguments, the Court DENIES Defendants’ Motion.

**I. Background**

On December 12, 2016, Plaintiff Spigen Korea Co., Ltd. (“Spigen”) filed this action (Dkt. 1) against Defendants for patent infringement of the following patents: U.S. Patent No. 9,049,283 (the “283 Patent” or “Utility Patent”), and U.S. Design Patents No.

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D711,607 (“607 Patent”), D753,009 (“99 Patent”) D775,620 (“620 Patent”), and D776,648 (“648 Patent”) (collectively, “Design Patents”).

On December 12, 2018, the Court granted Defendants’ Motion for Summary Judgment (Dkt. 212). Specifically, the Court granted the Motion for Summary Judgment as to the Utility Patent because, in a related case, *Spigen Korea Co. Ltd. v. iSpeaker Co., Ltd. et al*, 2:16-cv-8559-DOC (DFMx), the Court invalidated the Utility Patent for obviousness regarding claims, 1–6, 8, 10, 13–20, and 22. The Court also granted Defendants’ Motion for Summary Judgment as to the Design Patents, finding the 99 Patent invalid as functional and the 607, 620, and 648 Patents invalid for obviousness (Dkt. 212).

Defendants filed the instant Motion for Attorneys’ Fees (“Motion”) (Dkt. 220) on January 10, 2019. Plaintiff opposed (“Opposition”) (Dkt. 227) on February 4, 2019, and Defendants replied (“Reply”) (Dkt. 228) on February 11, 2019.

## II. Legal Standard

Under 35 U.S.C. § 285, “[t]he court in exceptional cases may award reasonable attorney fees to the prevailing party” in a patent infringement action. 35 U.S.C. § 285. An exceptional case is defined as “one that stands out from others with respect to the substantive strength of a party’s litigating position (considering both the governing law and the facts of the case) or the unreasonable manner in which the case was litigated.” *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545, 554 (2014). District courts have discretion to determine whether a case is exceptional, under the totality of the circumstances. *Id.*

“[T]here is no precise rule or formula for making these determinations’ but instead equitable discretion should be exercised.” *Id.* (citing *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 534 (1994)). Factors that may be considered by a district court include motivation, deterrence, and unreasonableness. *SunEarth, Inc. v. Sun Earth Solar Power Co., Ltd.*, 839 F.3d 1179, 1181 (9th Cir. 2016) (quoting *Octane*, 572 U.S. at 554). The movant must demonstrate their entitlement to attorney fees under 35 U.S.C. § 285 by a preponderance of the evidence. *Octane*, 572 U.S. at 557–58.

## III. Discussion

Defendants argue they are entitled to attorney fees because, among other reasons: Plaintiff committed inequitable conduct in filing the Utility Patent; Plaintiff’s true motivation in filing the case was to eliminate competition; Plaintiff withheld evidence

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until close of discovery; and Plaintiff’s overarching conduct renders the case exceptional. *See generally* Mot. Plaintiff counters that attorney fees are not warranted because Plaintiff pursued the instant action in good faith. *See generally* Opp’n.

The Court finds that, under the totality of the circumstances, attorney fees are not merited in the instant action. The Court granted Defendants’ Motion for Summary Judgment, finding Plaintiff’s Utility Patent and Design Patents invalid (Dkt. 212). Nevertheless, Plaintiff appeared to pursue the instant action with the intention of enforcing their rights, rather than pursuing litigation frivolously. Though unsuccessful, Plaintiff’s action was based on the then-valid, federally registered Utility Patent and Design Patents. *See* Fourth Amended Complaint (regarding the Utility Patent) (Dkt. 100); Third Amended Complaint (regarding the Design Patents) (Dkt. 101). Plaintiff later acknowledged the Court’s decision in a related case,<sup>1</sup> invalidating the Utility Patent, and sought to stipulate to a judgment of the invalidity of most of the Utility Patent claims (Dkt. 187 at 8). Thus, Plaintiff did not display “frivolousness” in pursuing the action. *See Octane*, 572 U.S. at 554 n.6.

Further, the Court finds no deterrent effect of a potential attorney fee award; other than one other patent infringement action dismissed by this Court due to patent invalidity,<sup>2</sup> and another case that has since settled,<sup>3</sup> Spigen has not continued to pursue patent infringement cases related to the Utility Patent, Design Patents, or other comparable patents before this Court. *See Octane*, 572 U.S. at 554 n.6 (noting that factors to consider include “the need in particular circumstances to advance considerations of compensation and deterrence” (internal citations omitted)). Seeing as Spigen did not continue to serial-file cases, there would be little deterrent effect to a fee award in the instant action.

Accordingly, considering the totality of the circumstances, the Court finds that Defendants have not shown entitlement to attorney fees by a preponderance of the evidence, and DENIES Defendants’ Motion for Attorney Fees pursuant to 35 U.S. C. § 285.

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<sup>1</sup> *See Spigen Korea Co., Ltd. v. iSpeaker Co. et al*, LA CV 16-8559-DOC (DFMx) (Dkt. 157, Dkt. 167).

<sup>2</sup> *See Spigen Korea Co., Ltd. v. iSpeaker Co. et al*, LA CV 16-8559-DOC (DFMx) (Dkt. 157, Dkt. 167).

<sup>3</sup> *See Spigen Korea Co., Ltd. v. Congjing Technology Co., Ltd. et al*, LA CV 17-3463 (DFMx) (Dkt. 21).

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**IV. Disposition**

For the reasons set forth above, the Court DENIES Defendants Ultraproof Inc. California, Ultraproof Inc. Nevada, and Endliss Technology Inc.’s Motion for Attorney Fees under 35 U.S.C. § 285 (“Motion”) 35 U.S. C. § 285 (Dkt. 212).

The Clerk shall serve this minute order on the parties.

MINUTES FORM 11  
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Initials of Deputy Clerk: djl