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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

U-BLOX AG, et al,  
Plaintiffs,  
v.  
INTERDIGITAL, INC., et al,  
Defendants.

Case No.: 23-cv-002-CAB-AHG  
**ORDER TO SHOW CAUSE**

This matter comes before the Court upon review of the docket. On August 8, 2023, the Court held a motion to dismiss hearing. After hearing oral arguments, the Court granted Defendants’ motion to dismiss, dismissing without prejudice Plaintiffs’ declaratory judgment of non-infringement claim and dismissing with prejudice Plaintiffs’ Sherman Act claim. The Court also granted Plaintiffs leave to amend. [Doc. No. 49]. Plaintiffs filed their first amended complaint on August 25, 2023, including the same three causes of action: (1) breach of contract; (2) declaratory judgment; and (3) declaratory judgment of non-infringement of the ‘067 Patent. [Doc. No. 53]. Defendants filed a motion to dismiss the first amended complaint on September 29, 2023. [Doc. No. 57].

In the amended complaint, Plaintiffs state that this Court has original jurisdiction over this case pursuant to 28 U.S.C. §§ 1331 and 1338. However, the only issue before

1 this Court is a state law breach of contract claim.<sup>1</sup> Defendants stated on the record at the  
2 motion to dismiss hearing that they have no intention of bringing an infringement claim  
3 against Plaintiffs. There is no diversity jurisdiction, as Plaintiffs and Defendants are both  
4 citizens of Delaware. Although the breach of contract claim concerns a patent licensing  
5 agreement, the Court is not convinced that the dispute arises from the patent laws of the  
6 United States to satisfy § 1338(a). *See Microsoft Corp. v. Motorola Inc.*, 795 F.3d 1024,  
7 1037 (9th Cir. 2015) (finding breach of contract claims are not necessarily “pure patent  
8 issue[s]” where the mode of calculating contract damages was the only issue before the  
9 Federal Circuit); *See also Cont’l Auto Sys., Inc. v. Nokia Corp.*, No. CV 21-345-MN,  
10 2021 WL5299243, at \*3 (D. Del. Nov. 15, 2021) (finding patent law is not a “necessary  
11 element” of breach of contract claim relating to a defendant’s obligation to license SEPs  
12 on FRAND terms). Therefore, the Court does not believe it presently holds subject matter  
13 jurisdiction over this case.

14 In light of the fact that Plaintiffs are no longer alleging the noninfringement claim  
15 in this matter, Plaintiffs are hereby **ORDERED TO SHOW CAUSE** as to why this case  
16 should not be dismissed for lack of subject matter jurisdiction. Plaintiffs’ response to this  
17 order shall be filed in conjunction with, or separate from, its opposition to the pending  
18 motion to dismiss on or before **October 20, 2023**.

19  
20 It is **so ORDERED**.

21 Dated: October 12, 2023



22  
23 Hon. Cathy Ann Bencivengo  
24 United States District Judge

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26  
27 <sup>1</sup> Considering the Court’s prior dismissal of the noninfringement claim, Plaintiffs only included this  
28 claim in the amended complaint to “preserve the issue and potentially avoid waiver of this issue [on  
appeal].” [Doc. No. 53 at n.3].