PATRICK LYNCH (S.B. #39749)			
DARIN W. SNYDER (S.B. #136003) DAVID R. EBERHART (S.B. #195474)			
KATHARINE SABICH-ROBISON (S.B. #18;	3234)		
Embarcadero Center West			
San Francisco, California 94111-3305			
Facsimile: (415) 984-8701			
Attorneys for Defendants NDS Group PLC and NDS Americas, Inc.			
UNITED STATES	DISTRICT COU	JRT	
NORTHERN DISTRICT OF CALIFORNIA			
OAKLAND DIVISION			
Groupe Canal+ S.A., et al.,	Case No. C02	2-01178 (VRW)	
Plaintiffs,	DEFENDANTS NDS GROUP PLC'S & NDS AMERICAS, INC.'S REPLY		
V.	MEMORANDUM IN SUPPORT OF THEIR MOTION TO DISMISS OR		
NDS Group PLC, et al.,	TRANSFER	FOR IMPROPER VENUE	
Defendants.	Time:	May 30, 2002 2:00 p.m.	
	Place:	Courtroom 6	
	DARIN W. SNYDER (S.B. #136003) DAVID R. EBERHART (S.B. #195474) RANDALL W. EDWARDS (S.B. #179053) KATHARINE SABICH-ROBISON (S.B. #1830) O'MELVENY & MYERS LLP Embarcadero Center West 275 Battery Street San Francisco, California 94111-3305 Telephone: (415) 984-8700 Facsimile: (415) 984-8701  Attorneys for Defendants NDS Group PLC and NDS Americas, Inc.  UNITED STATES  NORTHERN DISTR  OAKLAN  Groupe Canal+ S.A., et al.,  Plaintiffs,  v.	DARIN W. SNYDER (S.B. #136003) DAVID R. EBERHART (S.B. #195474) RANDALL W. EDWARDS (S.B. #179053) KATHARINE SABICH-ROBISON (S.B. #183234) O'MELVENY & MYERS LLP Embarcadero Center West 275 Battery Street San Francisco, California 94111-3305 Telephone: (415) 984-8700 Facsimile: (415) 984-8701  Attorneys for Defendants NDS Group PLC and NDS Americas, Inc.  UNITED STATES DISTRICT COUNTERN DISTRICT OF CALIFO OAKLAND DIVISION  Groupe Canal+ S.A., et al., Plaintiffs, V. Plaintiffs, V. DEFENDAN' NDS AMERIC MEMORAND THEIR MOTI TRANSFER Date:	

### TABLE OF CONTENTS 1 2 Page 3 ARGUMENT......2 4 5 CANAL+'S CLAIMS ARE NOT PROPERLY VENUED IN THE I. 6 Canal+ Must Establish Specific Jurisdiction Over NDS A. 7 8 B. Canal+'s Copyright Claims Do Not Arise Out of NDS Americas's Northern District Activities......4 9 Canal+'s State Law and RICO Claims Do Not Arise Out Of C. 10 11 II. THE COURT SHOULD TRANSFER THIS CASE TO THE SOUTHERN DIVISION OF THE CENTRAL DISTRICT OF CALIFORNIA FOR THE CONVENIENCE OF THE PARTIES AND 12 13 Α. Given This Case's Lack Of Connection With The Northern District, Plaintiffs' Choice of Forum Is Entitled To Little 14 Weight. .....8 15 The Most Significant Convenience Factors And The Interests B. Of Justice Both Favor Transfer To The Central District......9 16 17 III. 18 19 20 21 22 23 24 25 26 27 28

1	TABLE OF AUTHORITIES	
2	Page	e(s)
3	CASES	
5	Bancroft & Masters, Inc. v. Augusta Nat'l, Inc., 223 F.3d 1082 (9th Cir. 2000)	4
6	<u>Data Disc, Inc. v. Systems Technol. Assoc., Inc.,</u> 557 F.2d 1280 (9th Cir. 1977)	6 <b>,</b> 7
7 8	Dody v. Brown, 659 F. Supp. 541 (W.D. Mo. 1987)	
9 10	Fodor v. Berglas, No. 94-CV-4761, 1994 WL 822477, at *7 (C.D. Cal., Dec. 27, 1994)	
11	Jones v. GNC Franchising, Inc., 211 F.3d 495 (9th Cir. 2000)	9
12 13	Keeton v. Hustler Magazine, Inc., 465 U.S. 770 (1984)	
14	<u>Lou v. Belzberg,</u> 834 F.2d 730, 739 (9th Cir. 1987)	11
15	Maggos v. Helm, 2000 U.S. Dist. LEXIS 12555 (D. Haw., August 10, 2000) (text not available on Westlaw)12,	, 13
16 17	<u>Maxon v. Jefferson Pilot Sec. Corp.</u> , No. C 01-02668, 2002 WL 523575 at *2 (N.D. Cal., April 2, 2002)9,	, 10
18 19	Multistate Legal Studies, Inc. v. Marino, 41 U.S.P.Q. 2d 1886, CV-96-5188 ABC, 1996 WL 786124 (C.D. Cal. Nov. 4, 1996)	5
20	Myers v. Bennett Law Offices, 238 F.3d 1068 (9th Cir. 2001)	, 10
<ul><li>21</li><li>22</li></ul>	Nissan Motor Co. v. Nissan Computer Corp., 89 F. Supp. 2d 1154 (C.D. Cal. 2000)	7
23	Pacific Atl. Trading Co. v. M/V Main Express, 758 F.2d 1325 (9th Cir. 1985)	7
24	Rio Prop., Inc. v. Rio Int'l Interlink, 284 F.3d 1007 (9th Cir. 2002)	
<ul><li>25</li><li>26</li></ul>	Safferstein v. Paul, Mardinly, Durham, James, Flandreau & Rodger, P.C., 927 F. Supp. 731 (S.D.N.Y. 1996)	4
27	Sheppard v. Jacksonville Marine Supply, Inc., 877 F. Supp. 260 (D.S.C. 1995)	
28	отт г. бирр. 260 (D.S.C. 1995)	4

## TABLE OF AUTHORITIES (continued) Page(s) <u>United States v. Covenant Care, Inc.,</u> No. C-97-3814, 1999 WL 760610 at \*3 (N.D. Cal., Sept. 21, 1999)......10 United States v. Regents of the Univ. of Cal., 2002 WL 334915 at \*3......11 Williams v. Bowman, 157 F. Supp. 2d 1103 (N.D. Cal. 2001)......9 **STATUTES** 28 U.S.C. § 1406(a) ......9

### **INTRODUCTION**

No matter how it strains, Canal+ cannot connect its claims to the Northern District of California, and venue is therefore improper in this district. Canal+ admits that, to establish proper venue as to defendant NDS Americas, it must establish that each of the claims arose out of NDS Americas's contacts with the Northern District. But Canal+ cannot satisfy this burden. In its opposition brief, Canal+ does not even bother to attempt to articulate a connection between NDS Americas's minimal Northern District contacts and the claims for copyright infringment and contributory copyright infringement. At minimum, those two claims must be dismissed or transferred to the Southern Division of the Central District.

Canal+ also wholly fails to satisfy its burden of showing that the remaining claims arise out of any contacts by NDS Americas with this district. Although Canal+ points to NDS partnerships with a group of Northern California companies, Canal+ can demonstrate no connection whatsoever between those partnerships and its claims. Canal+ also asserts that its state-law claims arise out of Northern District contacts because Canal+ USA suffered injury in this District. But Canal+'s evidence does not support its assertion that it was injured here, and in any event the case law Canal+ cites does not support basing venue exclusively on an alleged injury in the district. Canal+'s inability to show that its claims arise out of NDS Americas's Northern District-related activity demonstrates that venue is improper in this district, and it therefore makes no practical difference that venue is proper as to NDS Group. This single lawsuit should proceed where venue is proper as to all of the claims against all of the defendants. Canal+'s claims should either be dismissed or transferred to the Southern Division of the Central District of California, where venue is proper as to all defendants and all claims.

The Court should also transfer this action to the Southern Division of the Central District of California for the convenience of the parties and witnesses. Canal+does not identify a single witness located in this district. In fact, the person responsible

for Canal+ USA, the only plaintiff with an office in this district, by his own admission resides in France. The identified witnesses and evidence relevant to this action are either located in Southern California or are outside of the state. The Court should therefore transfer the case to the Southern Division of the Central District of California.

### **ARGUMENT**

# I. CANAL+'S CLAIMS ARE NOT PROPERLY VENUED IN THE NORTHERN DISTRICT.

Canal+ concedes that it has "the burden of establishing that venue is proper." Opp. at 2:8. Moreover, Canal+ does not dispute that it must satisfy this burden with respect to each defendant for *each and every* claim, and, if venue is improper over a claim, the Court must dismiss or transfer at least that claim. As NDS made quite clear during the May 10, 2002 telephone hearing with the Court, defendants do not dispute that venue in this district is proper as to NDS Group under the Alien Venue Act. 28 U.S.C. § 1391(d). Canal+ cannot, however, meet its burden with respect to its claims against the other defendant, NDS Americas. The Court should therefore either dismiss the case or transfer it to the Southern Division for the Central District of California, where venue is proper for all defendants and for all claims.<sup>1</sup>

# A. <u>Canal+ Must Establish Specific Jurisdiction Over NDS Americas In The Northern District For Each Claim.</u>

Following an identical series of steps in legal reasoning, the parties agree that venue in this district depends on showing that this Court has specific jurisdiction over NDS Americas for each of Canal+'s various claims. Opp. at 4:13-5:4 (venue is proper if defendant is subject to personal jurisdiction, <u>i.e.</u>, "resides" or "may be found", in the district).<sup>2</sup> Although personal jurisdiction may be either general or specific, Canal+

Importantly, Canal+ does not dispute that venue would be proper for all defendants for all claims in the Southern Division of the Central District of California. Nor does Canal+ argue that it would be appropriate to dismiss or transfer only the claims against NDS Americas while retaining the claims against NDS Group.

In a footnote, Canal+ suggests that its claims are appropriately venued in the Northern District under the second prong of 28 U.S.C. § 1391(b), which provides that venue is proper in "a judicial district in which a substantial part of the events or omissions

concedes that it cannot show that NDS Americas engaged in sufficient activities in the Northern District to establish general jurisdiction. Opp. at 6 n.5. Therefore, as Canal+acknowledges, to establish proper venue as to NDS Americas, Canal+must satisfy its burden of showing that "NDS Americas is subject to specific jurisdiction in this district" for each of Canal+'s claims. Opp. at 6:11.

Under well-established law, a defendant may be subject to a court's

specific jurisdiction for a claim if (1) the defendant "purposefully avails himself of the privilege of conducting activities in the forum," (2) the claim "arises out of or results from the defendant's forum-related activities," *and* (3) the exercise of jurisdiction would be reasonable. Data Disc, Inc. v. Systems Technol. Assoc., Inc., 557 F.2d 1280, 1287 (9th Cir. 1977); Opp. at 6:14-15.³ Rather than assess the facts and allegations relevant to each claim, Canal+ addresses this test only once, claiming that "the same test applies under each statute." Opp. at 4:11-12. This error is fatal to Canal+'s choice of venue.

Although the general three part test is the same under each of the relevant venue statutes, the court must separately analyze the facts and contacts relevant to each claim to determine whether venue exists. Sheppard v. Jacksonville Marine Supply, Inc., 877 F. Supp. 260, 269 (D.S.C. 1995). Thus, while a defendant's contacts with a forum may be sufficient to establish proper venue for one kind of claim, the defendant's

giving rise to the claim occurred." Canal+ does not even attempt to explain how the general venue provision in section 1391(b) could have any bearing on the proper venue for the copyright claims, which have a controlling specific venue provision. Moreover, the authority Canal+ cites, Myers v. Bennett Law Offices, 238 F.3d 1068, 1076 (9th Cir. 2001), found only that the site of plaintiff's harm was a "relevant factor" in applying this test. In this case, all of the events "giving rise to the claim" occurred outside this district. The only alleged connection to this district is a vague allegation of injury to an aftercreated subsidiary named as one of three plaintiffs. [But Canal+'s declaration from Mr. Racine makes clear that Canal+'s Use-Rom was posted on the Internet in March 1989. Canal+ was doing business out of Beverly Hills in **southern** California. Racine Decl., Ex. A.] In the context of this case, this hardly constitutites a "substantial part of the

Defendants will not contest, for purposes only of this motion, that Canal+ has made a prima facie showing that NDS Americas satisfies the "purposeful availment" requirement. However, as Canal+ concedes, it must still satisfy the other two prongs of the Data Disc test. Opp. at 7:17-18.

events or omissions" giving rise to plaintiffs' claims.

contacts might be insufficient to establish proper venue for other claims in the same action. See, e.g., Verbis v. Iowa Dept. of Human Serv., 18 F. Supp. 2d 770, 774 (W.D. Mich. 1998) ("Isolating the events giving rise to [plaintiffs'] claims," the court found that only one of several claims "could conceivably be venued in Michigan."); Safferstein v. Paul, Mardinly, Durham, James, Flandreau & Rodger, P.C., 927 F. Supp. 731, 736 (S.D.N.Y. 1996) (finding venue proper as to breach of contract claim because the contract was created in the district, but improper as to six other claims because "the factual basis supporting [those] claims occurred outside New York."). In this case, the second "arising out of" prong of the test is dispositive. Canal+ fails to carry the burden of showing that each of Canal+'s eight claims arises out of NDS Americas's forum-related activities.

Canal+ agrees that the Ninth Circuit applies a "but for" standard to the "arising out of" prong of the <u>Data Disc</u> test. Opp. at 14:11-14.<sup>4</sup> Under the "but for" standard, "if a plaintiff would not have suffered a loss 'but for' the defendant's forum-related activities, courts hold that the claim arises out of the defendant's forum-related activities." <u>Multistate Legal Studies, Inc. v. Marino</u>, 41 U.S.P.Q. 2d 1886, CV-96-5188 ABC, 1996 WL 786124 (C.D. Cal. Nov. 4, 1996). Applying this standard to the present case demonstrates that each of Canal+'s claims is improperly venued as to NDS Americas.

B. <u>Canal+'s Copyright Claims Do Not Arise Out of NDS Americas's Northern District Activities.</u>

There should be no doubt that Canal+'s claims for copyright infringement and contributory copyright infringement do not satisfy the "arising out of" prong of the <a href="Data Disc">Data Disc</a> test. Canal+ does not even argue that the copyright claims arise out of

Canal+ incorrectly asserts that the "arising out of" prong "is invariably met where the 'effects test' for the purposeful availment prong has been satisfied." Opp. at 14 n.9. To the contrary, courts, including courts Canal+ cites, consistently address the "arising out of" prong separately from the "effects test" and its "express aiming" requirement. See, e.g., Myers, 238 F.3d at 1075 (finding that "arising out of" prong was satisfied); Bancroft & Masters, Inc. v. Augusta Nat'l, Inc., 223 F.3d 1082, 1088 (9th Cir. 2000) (same).

Northern District-related activities. <u>See</u> Opp. at 14:14-15 (claiming only that "Plaintiffs' tortious interference, RICO and unfair competition claims arise out of Defendants' contacts with the Northern District."). Canal+ does not identify a single act relevant to the two copyright claims that allegedly occurred in the Northern District. Likewise, Canal+ does not identify any harm in the Northern District caused by the alleged copyright infringement. Nor could it. The only domestic Canal+ entity, Canal+ USA, unquestionably does not own the allegedly infringed copyright. Canal+'s two copyright claims are improperly venued, and they must be dismissed or transferred to the Southern Division of the Central District.

# C. <u>Canal+'s State Law and RICO Claims Do Not Arise Out Of NDS</u> Americas's Northern District Activities.

Canal+'s state law claims for tortious interference and unfair competition and its RICO claim apparently arise out of the same alleged conduct involving Canal+ USA as well as the other Canal+ entities. Thus, for purposes of the venue motion, they may be considered together. But they too fail the "arising out of" prong of the <u>Data Disc</u> test. Canal+ claims that "NDS Americas exploited Canal+'s good name and reputation to divert potential business partners and customers in the Northern District of California from contracting with Canal+ USA." Opp. at 15:2-4. Canal+'s evidence, however, does not support this assertion. For example, Canal+ repeatedly refers to a selection of NDS communications with its sales staff, including sales personnel in the United States. <u>See, e.g.,</u> Opp. at 10, n.7; <u>id.</u> at 12 n.8. But not one of these communications was sent from or to someone in Northern California. Not one refers to any potential Canal+ business partners or customers in Northern California. And Canal+ does not even allege that it lost any potential business partners or customers as a result of these communications.

Indeed, Canal+ can identify only two potential customers that supposedly "evidence the impact of the piracy of MediaGuard on Canal+'s Northern California operations" – Cablevision and RCN. Racine Decl. ¶ 7. As Canal+'s Mr. Racine explains, Cablevision is in New York, not the Northern District. Likewise, the other

potential customer, RCN, is in New Jersey, not the Northern District. Obviously neither of these two customers relate to the Northern District.

Moreover, Canal+'s own evidence proves that the "loss" of this business was not due to allegedly tortious conduct, but rather resulted from independent competitive factors. In Canal+'s own words, Cablevision chose NDS "because NDS knew how to combat piracy better than Canal+," not because of any tortious activity by NDS. Id. ¶ 7. And RCN merely "postponed their decision on selecting a supplier for a new end-to-end system." Id. Thus, Canal+ cannot identify a single customer, much less one located in Northern California, that NDS diverted from contracting with Canal+. In fact, Canal+ identifies only one other customer at all, Denver-based MediaOne, and Canal+ "won" the business of that customer in December 1998. Id. ¶ 3.

Similarly, Canal+ does not identify a single business partner that NDS kept from doing business with Canal+. Elsewhere in its opposition, Canal+ identifies 43 NDS corporate partners, 12 of which have headquarters in Northern California. Opp. at 8. But Canal+ does not allege that NDS interfered with Canal+ having partnerships with any of those 43 companies, much less the ones with headquarters in Northern California. Similarly, Canal+ does not show that those "partnerships" relate in any way to this case. These unrelated contacts can not establish specific jurisdiction. See Pacific Atl. Trading Co. v. M/V Main Express, 758 F.2d 1325, 1329-30 (9th Cir. 1985); Thos P. Gonzalez Corp. v. Consejo Nacional, Etc., 614 F.2d 1247, 1255 (9th Cir. 1980). Ultimately, Canal+ identifies no Northern District-related activities that satisfy the "arising out of" prong of the Data Disc test.

The absence of Northern-District related activities distinguishes this case from the several cases Canal+ cites. For example, in Nissan Motor Co. v. Nissan

Canal+ relies on these same partnerships to assert that venue for its RICO claim may be proper in the Northern District because NDS "transacts its affairs" in the Northern District. Opp. at 5:20-6:4. To the contrary, a company "transacts its affairs" in a district for purposes of RICO venue when it is engaged in regular, substantial and continuous activity within the judicial district. See Dody v. Brown, 659 F. Supp. 541 (W.D. Mo. 1987). NDS Americas's limited alleged contacts with this district do not satisfy this test.

Computer Corp., 89 F. Supp. 2d 1154 (C.D. Cal. 2000), the defendant registered an internet domain name and then signed contracts with California companies to display advertisements on the infringing website. <u>Id.</u> at 1157, 1160. Even as described by Canal+, the court relied on "the defendant's contracts with California-based advertisers" on the specific website at issue to find that the claims arose out of defendants forum-related activities. Opp. at 15:13-15 (citing <u>Nissan</u>, 89 F. Supp. 2d at 1160). In the current case, in contrast, Canal+ does not allege that its claims arise out of any NDS Americas contracts with Northern District companies.

In <u>Sinatra v. National Enquirer, Inc.</u>, 854 F.2d 1191 (9th Cir. 1988), the court found specific jurisdiction over a Swiss medical clinic that was soliciting business in California because allegedly defamatory statements were made in a national newspaper with substantial California circulation and were an integral part of an advertising campaign aimed at California. <u>See id.</u> at 1193, 1197. In the current case, Canal+ does not allege that any injurious statements were made in the Northern District, that any were ever communicated into the Northern District, or that NDS Americas had any kind of campaign aimed at the Northern District.

The other cases Canal+ cites are equally inapplicable. In Rio Prop., Inc. v. Rio Int'l Interlink, 284 F.3d 1007, 1021 (9th Cir. 2002), the court relied on its finding that the defendant had specifically advertised the offending website in the forum state. And in Keeton v. Hustler Magazine, Inc., 465 U.S. 770, 773-74 (1984), jurisdiction was proper because some of the claims arose from defendant's contacts with the forum – circulation of the magazine. In this case, Canal+ does not allege that NDS Americas made any actionable statements in the Northern District. Nor does Canal+ allege that NDS Americas committed any tortious acts in the Northern District.

As with its copyright claims, Canal+ does not identify a single act relevant to their state law claims or RICO claim that occurred in the Northern District. Canal+ thus fails to satisfy its burden of showing that its claims arise out of NDS Americas's contacts with the Northern District. The claims should therefore be dismissed or

transferred to the Southern Division of the Central District.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

II. THE COURT SHOULD TRANSFER THIS CASE TO THE SOUTHERN DIVISION OF THE CENTRAL DISTRICT OF CALIFORNIA FOR THE CONVENIENCE OF THE PARTIES AND WITNESSES.

There is no doubt that "Julinder 28 U.S.C. § 1404(a), the district court has discretion to adjudicate motions for transfer according to an 'individualized, case-by-case consideration of convenience and fairness." Maxon v. Jefferson Pilot Sec. Corp., No. C 01-02668, 2002 WL 523575 at \*2 (N.D. Cal., April 2, 2002) (citing Jones v. GNC Franchising, Inc., 211 F.3d 495, 498 (9th Cir. 2000)). Moreover, Canal+ agrees that defendants "properly identified" the factors courts generally consider, together with the interests of justice, in deciding whether to exercise their discretion transfer a case under § 1404. Opp. at 18:1. Those factors include: "1) plaintiff's choice of forum, 2) convenience of the parties, 3) convenience of the witnesses, 4) ease of access to the evidence, 5) familiarity of each forum with the applicable law, 6) feasibility of consolidation of other claims, 7) any local interest in the controversy, and 8) the relative court congestion and time of trial in each forum." Williams v. Bowman, 157 F. Supp. 2d 1103, 1106 (N.D. Cal. 2001). Under the relevant factors, this action should be transferred to the Southern Division of the Central District of California because venue is proper there, it would be more convenient for both the parties and the witnesses, and a transfer to the Central District would be in the interests of justice.

A. Given This Case's Lack Of Connection With The Northern District, Plaintiffs' Choice of Forum Is Entitled To Little Weight.

While courts sometimes consider a plaintiff's choice of forum in determining whether to exercise their discretion to transfer a case under §1404(a), the weight given this factor appears to depend heavily on the particular circumstances of each case. United States v. Covenant Care, Inc., No. C-97-3814, 1999 WL 760610 at \*3 (N.D. Cal. Sept. 21, 1999); see also Fodor v. Berglas, No. 94-CV-4761, 1994 WL

Because Canal+'s claims are improperly venued, this motion is also brought under 28 U.S.C. § 1406(a), which permits transfer of an improperly venued case to "any district or division in which it could have been brought."

822477, at \*7 (C.D. Cal., Dec. 27, 1994) ("... the weight to be given plaintiff's choice of forum is a malleable concept that varies with the facts and subject matter of the case"). Simply put, under certain circumstances, "a plaintiff's choice of forum may have very little impact on the court's evaluation of whether to transfer an action." Covenant Care, 1999 WL 760610 at \*3. This case presents just such a circumstance.

suffered by Canal+ USA in the Northern District. Opp. at 18:11-16. But the only

authority Canal+ cites, Myers, 238 F.3d at 1075-76, does not even consider the

convenience of the parties and witnesses under 1404(a). Furthermore, Canal+ USA can

not identify a single customer or "partner" lost as a result of defendants' alleged actions,

including any lost customers or "partners" in the Northern District. More importantly,

Canal+ can not identify any relevant acts that occurred in the Northern District, and its

choice of forum should therefore be disregarded. See Fabus Corp. Asiana Express

Corp., C-0-3172, 2001 WL 253185 at \*4 (N.D. Cal. Mar. 5, 2001) ("[t]he degree to which

courts defer to the plaintiff's chosen venue is substantially reduced where the plaintiff's

elsewhere, and the underlying agreement was executed elsewhere, plaintiff's choice of

forum is not entitled to significant weight"). As this Court has previously stated, "if the

operative facts have not occurred within the forum and the forum has no interest in the

parties or subject matter, [plaintiff's] choice is entitled to only minimal consideration."

United States v. Regents of the Univ. of Cal., 2002 WL 334915 at \*3 (citing Lou v.

Belzberg, 834 F.2d 730, 739 (9th Cir. 1987)).

venue choice . . . lacks a significant connection to the activities alleged in the

complaint."); Maxon, 2002 WL 523575 at \*2 ("[b]ecause the dispute is centered

Canal+ defends its choice of forum by again focusing on the alleged harm

B. The Most Significant Convenience Factors And The Interests Of Justice Both Favor Transfer To The Central District.

242526

Although courts examine several factors in determining whether to transfer a case, the most significant factors are either neutral or favor transfer to the Southern Division of the Central District. First, the convenience of the parties favors transfer to the

2728

Southern Division of the Central District. Defendant NDS Americas has its headquarters in Newport Beach, California, in the Southern Division of the Central District. Lynskey Decl. ¶ 4. With respect to the two foreign plaintiffs, as Canal+ concedes, the Southern Division of the Central District is just as convenient as the Northern District. Opp. at 19:7-9. The third plaintiff, Canal+ USA, on the other hand, does not dispute in the opposition that it is not a proper plaintiff for the two copyright claims and thus would suffer no inconvenience with respect to the transfer of those claims. Opp. at 19:24-27. In fact, Canal+ nowhere even asserts that it would be inconvenienced by litigating the entire case in the Southern Division of the Central District.

Second, the convenience of the witnesses also favors transfer to the Southern Division of the Central District. While primary consideration may be given to third-party witnesses, Canal+ does not identify a single third-party witness in the Northern District. The only third parties identified any where in Canal+'s opposition are Cablevision, located in New York, and RCN, located in New Jersey. Racine Decl. ¶ 7. Neither of these potential witnesses – assuming their testimony is relevant to any of Canal+'s claims – would be inconvenienced by litigation in the Central District, as opposed to the Northern District.

Ultimately, Canal+ does not even identify any party-related witnesses in the Northern District. Although Canal+ refers to unnamed "[p]otential witnesses at Canal+ USA, in the Northern District," the only Canal+ USA witness identified is Mr. Racine, who is "responsible" for Canal+ USA but who resides in Paris. Opp. at 20:24-25; Racine Decl. ¶ 1. Mr. Racine, like the majority of identified witnesses, resides abroad, and the Northern District is no more convenient than the Central District. There

Canal+ suggests that defendants would not be inconvenienced by having to litigate this case in the Northern District because they have prosecuted claims in Montana and Florida. Opp. at 19:18-20. In addition to not being the lead plaintiff in those cases, defendants litigated in those districts because venue was proper there, just as Canal+ should have to litigate this case where venue is proper. Canal+'s reference to NDS's partnerships with companies located in the Northern District (Opp. at 19:16-17) is equally irrelevant, as NDS has no control over where other companies locate their businesses.

are, however, at least two domestic witnesses who are central to Canal+'s allegations, John Norris and Chris Tarnovsky, and both of them are employed by NDS Americas in the Central District. Lynskey Decl. ¶ 8.

Similarly, ease of access to evidence also favors transfer of this action to the Southern Division of the Central District. Most evidence in NDS Americas's possession in the United States is located at its headquarters in Newport Beach, California. Lynskey Decl. ¶ 9. As Canal+ concedes, this is where the only domestic acts of copying and publication alleged in plaintiffs' complaint supposedly occurred. Against this, Canal+ offers nothing other than the bald assertion that "evidence relating to both liability and damages will be located in the Northern District." Opp. at 21:3-4. Given that the person "responsible" for Canal+ USA resides in France, it is at least as likely that relevant documents are located there, not in the Northern District. Tellingly, Canal+ did not offer any testimony from Mr. Racine, or anyone else, that relevant documents are in northern California, although it could presumably have done so if such were the case.

Finally, Canal+ asserts that the Northern District has a "strong local interest in settling this dispute." Opp. at 21:23-24 (citing Maggos v. Helm, 2000 U.S. Dist. LEXIS 12555 (D. Haw., August 10, 2000) (text not available on Westlaw)). But this case is nothing like Maggos. In Maggos, the state of Hawaii had a particular interest in the dispute because the plaintiff was a long-term citizen of Hawaii. Id. ("any event in which Plaintiff was involved concerning this matter must have taken place in Hawaii, as Plaintiff had not left Oahu since 1978.") In this case, however, none of the alleged tortious acts occurred in the Northern District, and no plaintiff resided in the Northern District at the time of any of the wrongful acts. Canal+ USA, a corporation, did not even exist until after the alleged wrongful events alleged in the complaint occurred, and operated out of Southern California when those acts allegedly occurred. The Southern Division of the Central District is equally capable of protecting the rights of a corporate California citizen.

On balance, the relevant convenience factors favor transfer to the Southern Division of the Central District of California. This Court should therefore

exercise its discretion to transfer this case pursuant to 28 U.S.C. section 1404(a) or 1406(a). III. CONCLUSION For the foregoing reasons, NDS respectfully requests that the Court dismiss plaintiffs' complaint or transfer this action to the Southern Division of the Central District of California, where it would be properly venued and more conveniently litigated. Dated: May 23, 2002 PATRICK LYNCH DARIN W. SNYDER DAVID R. EBERHART KATHARINE SABICH-ROBISON RANDALL W. EDWARDS O'MELVENY & MYERS LLP Ву s\ Darin W. Snyder Darin W. Snyder Attorneys for Defendant SF1:469360.1