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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. 2:23-cv-08417-RGK-PD

Date December 7, 2023

Title ***ChromaCode, Inc. et al. v. Bio-Rad Laboratories, Inc.***

Present: The Honorable R. GARY KLAUSNER, UNITED STATES DISTRICT JUDGE

Joseph Remigio

Not Reported

N/A

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendant:

Not Present

Not Present

Proceedings: (IN CHAMBERS) Order Re: Motion to Transfer [DE 26]**I. INTRODUCTION and FACTUAL BACKGROUND**

ChromaCode, Inc. (“ChromaCode”) and Bio-Rad Laboratories, Inc. (“Bio-Rad”) are two companies that work in the field of medical diagnostic technology, including polymerase chain reaction (“PCR”) assays commonly used to diagnose viral infections like Covid-19. The two companies obtained patent rights to protect their PCR technology. The California Institute of Technology (“CalTech”) granted ChromaCode an exclusive license to U.S. Patent Nos. 10,068,051 and 10,770,170 (the “CalTech Patents”). Bio-Rad obtained U.S. Patent Nos. 9,222,128 and 9,921,154 (the “Bio-Rad Patents”).

Between 2014 and 2018, ChromaCode and Bio-Rad had an amicable relationship. The two companies met and exchanged information about their technology and patent portfolios pursuant to a non-disclosure agreement (“NDA”). At one of these meetings, ChromaCode shared information about the CalTech Patents. Sometime later, the companies’ relationship soured, leading to two lawsuits.

On September 20, 2023, ChromaCode filed a first lawsuit in the Northern District of California (the “N.D. Cal. Lawsuit”), seeking a declaration that its products do not infringe the Bio-Rad Patents. Bio-Rad subsequently answered and asserted counterclaims alleging that ChromaCode’s products infringe the Bio-Rad Patents.

On October 5, 2023, ChromaCode filed a second lawsuit in the Central District of California (the “Instant Lawsuit”), now alleging that Bio-Rad’s products infringe the CalTech Patents. On October 13, 2023, ChromaCode filed the operative First Amended Complaint (“FAC”), adding CalTech as co-plaintiff. (ECF No. 12.) Bio-Rad subsequently answered and asserted counterclaims alleging that the CalTech Patents were invalid over the same Bio-Rad Patents at issue in the N.D. Cal. Lawsuit. (ECF No. 22.)

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Presently before the Court is Bio-Rad's Motion to Transfer. (ECF No. 26.) Bio-Rad seeks to transfer the Instant Lawsuit to the Northern District of California. For the following reasons, the Court **GRANTS** the Motion.

II. JUDICIAL STANDARD

Section 1404(a) allows a district court to "transfer any civil action to any other district . . . where it might have been brought or to any district . . . to which all parties have consented." 28 U.S.C. § 1404(a). "In the typical case not involving a forum-selection clause, a district court considering a § 1404(a) motion . . . must evaluate both the convenience of the parties and various public-interest considerations" to determine whether "a transfer would serve 'the convenience of parties and witnesses' and otherwise promote 'the interest of justice.'" *Atl. Marine Const. Co. v. U.S. Dist. Ct. for W. Dist. of Tex.*, 571 U.S. 49, 62–63 (2013) (quoting 28 U.S.C. § 1404(a)).

III. DISCUSSION

Bio-Rad argues that transfer to the Northern District of California is warranted because (1) ChromaCode and CalTech could have brought this lawsuit in the Northern District; and (2) transfer would serve the parties' convenience or be justified under the "first-to-file" rule. The Court agrees that the first-to-file rule warrants transfer.¹

The first-to-file rule allows a district court to transfer a case if a similar case with substantially similar issues and parties was previously filed in another district court. *Kohn L. Grp., Inc. v. Auto Parts Mfg. Miss., Inc.*, 787 F.3d 1237, 1239–40 (9th Cir. 2015). The first-to-file rule "is not a rigid or inflexible rule to be mechanically applied, but rather is to be applied with a view to the dictates of sound judicial administration." *Pacesetter Sys., Inc. v. Medtronic, Inc.*, 678 F.2d 93, 95 (9th Cir. 1982). It "normally serves the purpose of promoting efficiency well." *Id.* "When applying the first-to-file rule, courts should be driven to maximize economy, consistency, and comity." *Kohn*, 787 F.3d at 1240 (internal quotations and citation omitted).

A court analyzes three factors: (1) chronology of the lawsuits; (2) similarity of the parties; and (3) similarity of the issues. *Id.* at 1240. The parties and issues need not be identical, only substantially similar. *Id.* To determine whether issues are substantially similar, courts "look at whether there is substantial overlap between the two suits." *Id.* at 1241 (internal quotations and citation omitted).

¹ ChromaCode and CalTech argue that Bio-Rad failed to comply with the Court's meet-and-confer requirement. *See* C.D. Cal. L.R. 7-3. Specifically, they argue that Bio-Rad did not properly disclose an argument related to a forum-selection clause contained in the parties' NDA. Because the Court does not address this argument, the Court need not determine whether the meet-and-confer requirement was satisfied.

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Here, the first-to-file rule warrants transfer. First, ChromaCode filed the N.D. Cal. Lawsuit before filing the Instant Lawsuit, giving it priority over the Instant Lawsuit. Second, the N.D. Cal. Lawsuit and the Instant Lawsuit involve similar parties. ChromaCode and Bio-Rad are parties to both lawsuits. Though CalTech is not a party in the N.D. Cal. Lawsuit, it need not be. “The [first-to-file] rule is satisfied if some of the parties in one matter are also in the other matter, regardless of whether there are additional unmatched parties in one or both matters.” *Medtronic Corevalve LLC v. Edwards Lifesciences Corp.*, 2012 WL 12888673, at *4 (C.D. Cal. Jan. 9, 2012); *Kohn*, 787 F.3d at 1240 (“the first-to-file rule does not require exact identity of the parties.”). Third, the N.D. Cal. Lawsuit and the Instant Lawsuit involve similar issues. In the N.D. Cal. Lawsuit, the parties ask the court to determine whether ChromaCode’s products infringe the Bio-Rad Patents. In the Instant Lawsuit, the parties ask the Court to determine whether Bio-Rad’s products infringe the CalTech Patents and whether the Bio-Rad Patents invalidate the CalTech Patents. Though these lawsuits involve different asserted patents and accused products, both lawsuits concern related PCR technology and will require the construction and interpretation of the Bio-Rad Patents. Given this clear overlap, judicial economy would best be served by having both lawsuits litigated before the same court, thereby conserving judicial resources and ensuring consistent interpretations of the patents. *See, e.g., SAES Getters S.p.A. v. Aeronex, Inc.*, 219 F. Supp. 2d 1081, 1092 (S.D. Cal. 2002) (“The Court believes that it will be important for these two similar patents to have one court, rather than two, interpret them.”); *Versus Tech., Inc. v. Hillenbrand Indus., Inc.*, 2004 WL 3457629, at *7 (W.D. Mich. Nov. 23, 2004) (granting transfer, noting that “while the patents may be different, they involve similar technology”); *Smart Techs., Inc. v. Polyvision Corp.*, 2004 WL 6047007, at *3 (E.D. Va. Oct. 20, 2004) (granting transfer, warning that the separate litigation of similar competing patents “in two different courts could result in conflicting judgments”). Accordingly, the Court **GRANTS** Bio-Rad’s Motion to Transfer.

IV. CONCLUSION

For the foregoing reasons, the Court **GRANTS** Bio-Rad’s Motion to Transfer. The Court hereby **TRANSFERS** the Instant Lawsuit to the Northern District of California. All dates pending in the Central District of California are hereby vacated and taken-off calendar, to be reset, as necessary, in the Northern District of California.

IT IS SO ORDERED.

Initials of Preparer

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