UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

FACETEC, INC.,

Plaintiff,

v.

JUMIO CORPORATION,

Defendant.

Case No. 24-cv-03623-RFL

**ORDER GRANTING MOTION TO DISQUALIFY DEFENDANT JUMIO'S COUNSEL PERKINS COIE**

Re: Dkt. Nos. 54, 61, 57, 73, 79

On June 14, 2024, FaceTec, Inc. ("FaceTec") filed suit against Jumio Corporation ("Jumio"), alleging that Jumio infringed four of its patents (the "Asserted Patents"): U.S. Patent No. 10,776,471, U.S. Patent No. 11,157,606, U.S. Patent No. 11,693,938, and U.S. Patent No. 11,874,910 (collectively, the "Asserted Patents"). All of the Asserted Patents concern "biometric liveness detection technology," which FaceTec has alleged is embodied in its flagship product, ZoOm. (Dkt. No. 1 ("Compl.") ¶ 9.) FaceTec brings this motion seeking disqualification of Jumio's counsel, Perkins Coie ("Perkins"), based on the firm's prior representation of FaceTec.

The Asserted Patents claim a priority date of July 2015. Perkins represented FaceTec on general corporate and intellectual property matters during FaceTec's infancy, mostly in 2014 and 2015. At the time, FaceTec's only product was ZoOm. During the course of its representation, Perkins' attorneys served as FaceTec's outside general counsel and corporate secretary, and worked on FaceTec's patent prosecution strategy to protect ZoOm. Through an affiliated entity, Perkins took an equity stake in FaceTec as part of its compensation. FaceTec contends that it gave Perkins confidential information in this era that is now material to the current litigation.

In assessing whether the Asserted Patents were obvious as of the claimed July 2015 priority date, a potentially key issue will be whether ZoOm's commercial success at that time



FACETEC EXHIBIT 2030
JUMIO v. FACETEC
IPR2025-00109

was attributable to the innovative nature of the patented features, rather than other differentiators. FaceTec's CEO, Kevin Tussy, attests that in 2014 and 2015, he provided Perkins with confidential information about what FaceTec believed made ZoOm innovative. For example, in August 2015, Tussy sent a slide deck to Perkins, which identified ZoOm's key differentiators over competing products. Moreover, Tussy attests that during that time period, he discussed FaceTec's strategies for public relations, investments, marketing, and patent protection of the ZoOm technology with Perkins' attorneys. Perkins does not deny it received this information.

It is understandable that Perkins concluded there was no conflict of interest because the firm did not prosecute the Asserted Patents or other applications to which the Asserted Patents claim priority, and its patent prosecution work did not relate to the patented technology at issue. Nonetheless, there is a substantial risk that the information acquired by Perkins through its prior representation of FaceTec will become material to the current lawsuit. Therefore, the motion to disqualify Perkins as counsel for Jumio in this litigation is **GRANTED**. (Dkt. No. 61.)

## I. FACTUAL BACKGROUND

FaceTec, formerly operating under the name FacialNetwork, was founded in 2013 and incorporated in March 2014. (Dkt. No. 61-1 ("Tussy Decl.") ¶ 2.) Since its founding, FaceTec was "focused on developing software that would allow an individual to utilize his/her camera-equipped smartphone or computer to analyze the individual's biometric information, e.g., facial features, to verify the individual's physical features and presence during an in-person or remote interaction"—i.e., the biometric liveness detection technology. (*Id.* ¶ 3.) In June 2015, FaceTec introduced its commercial product, ZoOm, which integrates "3D liveness detection technology" with "user authentication, face verification, and facial recognition technology to confirm that the user was not only physically present, but also the proper person that was, for example, seeking access to a private email account, a bank account, or to receive a valuable package." (*Id.* ¶¶ 3-4.)

ZoOm "became FaceTec's flagship commercial product, a fact that remains true to this day." (*Id.* ¶ 5.) ZoOm was FaceTec's only product through the time of this lawsuit, and the Asserted Patents are all directed at patenting features of the 3D liveness technology embodied in

the product. *See, e.g.*, '471 Patent 29:20-28 ("[U]sing this movement of 'zooming' in and out on the user's face, two or more biometric profiles could be created for the same person. One of the multiple profiles for the person may be imaged farther from the camera, and one of the multiple profiles may be for the person imaged closer to the camera. In order for the system to authenticate the person, the authentication images and biometrics must match the two or more profiles in the enrollment images and biometrics."). The present suit concerns FaceTec's allegations that Jumio is deploying an infringing liveness detection technology.

Perkins' representation of FaceTec began in early 2014. In February of that year, Lowell Ness—a corporate partner at Perkins—executed a retainer agreement with FaceTec on behalf of the law firm. (Tussy Decl., Exh. 1 ("Engagement Letter") at 2.)[1] The engagement letter stated that FaceTec's representation extended to "incorporation, general corporate matters and general intellectual property matters, including patent prosecution." (*Id.*) Between February 2014 and November 2017, Perkins billed a total of 321 hours for formation and financing work, and between February 2014 and July 2015, the firm billed a total of 225 hours for patent work, specifically related to 13 potential patent applications. (Dkt. No. 70-29 ("Ness Decl.") ¶ 14.)

During the time that FaceTec was a client, Ness acted as the client lead—meaning that he reviewed and approved Perkins' invoices and acted as the point person for interfacing with FaceTec. (*Id.* ¶ 5.) On March 25, 2014, Ness incorporated FaceTec, thereafter serving as FaceTec's initial corporate secretary and outside general counsel. Perkins also took a "major piece of founding equity in FaceTec through TWB (Investment Partnership II)"—a "venture entity" set up by Perkins for the "benefit of its partners." (Tussy Decl. ¶ 37.) Currently, TWB owns 100,000 shares of FaceTec common stock, which makes Perkins "one of the largest holders of FaceTec common stock per the latest capitalization table." (*Id.*) Perkins only paid $1.00 for the stock "as part of the economic reward Perkins demanded in its original retainer letter for its representation of FaceTec." (*Id.* ¶ 39.)

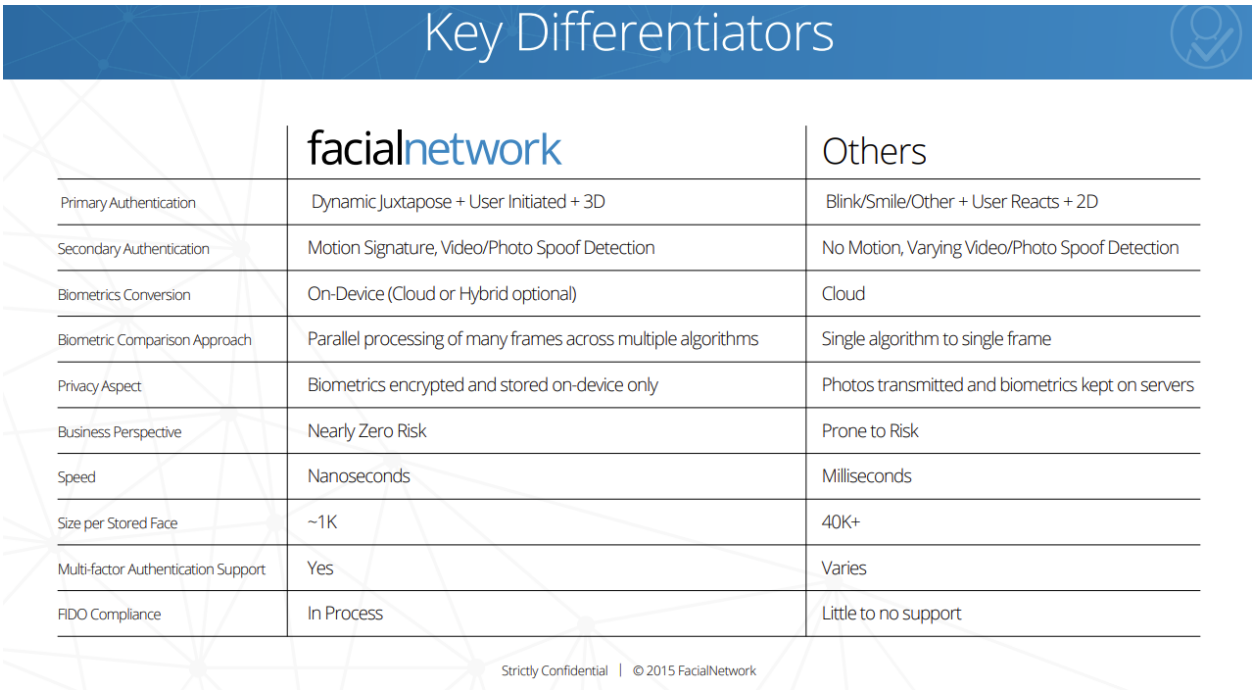
[1] Citations to page numbers refer to the ECF pagination.

Between February 2014 and October 2016, Ness personally billed a total of 35 hours. Ness's additional work "included tasks such as preparing incorporation documents for the company, preparing voting proxy documents, preparing stock purchase agreements and various stock grant documents, and preparing financing documents." (Ness Decl. ¶ 4.) According to Ness, he did not discuss FaceTec's patents or patent strategy, since he is "not a patent lawyer." (*Id.*)

Tussy stated that he discussed "public relations, investments, marketing and strategies for patent protection" with Ness. (Tussy Decl. ¶ 25.) During this time period, FaceTec also provided Perkins with "significant confidential information and engaged in extensive conversations and consultation related [to patent applications for ZoOm], including specific details regarding the preparation and content of the patent applications, as well as general patent strategies for obtaining strong patent protection on FaceTec's ZoOm product and technology." (*Id.* ¶ 20.)

Tussy also provided Ness with a copy of a "strictly confidential" slide deck, which was presented to MasterCard, in August 2015.[2] (*Id.* ¶ 27.) That slide deck contained confidential information and proprietary details regarding the ZoOm product, including a list of FaceTec's currently filed patents. Specifically, the deck explains that ZoOm: "Records high-resolution Selfie Video as you Move your Phone Toward your Face" and "Creates a Dynamic Perspective Map of your Face that is your True Unique Identifier." (Dkt. No. 61-5 ("MasterCard Slide Deck") at 7.) The slide deck also included a table, labeled "Key Differentiators," which summarized the differences between FaceTec's products and other products on the market. The slide included the following information:

[2] FaceTec did not file the exhibit containing the slide deck under seal. Nonetheless, the deck provides an example of the type of confidential information that, at the time, was provided to Perkins, and corroborates that Perkins appears to have been receiving information of this type in the course of its representation of FaceTec.



## Key Differentiators

| | facialnetwork | Others |
|---|---|---|
| Primary Authentication | Dynamic Juxtapose + User Initiated + 3D | Blink/Smile/Other + User Reacts + 2D |
| Secondary Authentication | Motion Signature, Video/Photo Spoof Detection | No Motion, Varying Video/Photo Spoof Detection |
| Biometrics Conversion | On-Device (Cloud or Hybrid optional) | Cloud |
| Biometric Comparison Approach | Parallel processing of many frames across multiple algorithms | Single algorithm to single frame |
| Privacy Aspect | Biometrics encrypted and stored on-device only | Photos transmitted and biometrics kept on servers |
| Business Perspective | Nearly Zero Risk | Prone to Risk |
| Speed | Nanoseconds | Milliseconds |
| Size per Stored Face | ~1K | 40K+ |
| Multi-factor Authentication Support | Yes | Varies |
| FIDO Compliance | In Process | Little to no support |

Strictly Confidential | © 2015 FacialNetwork

Notably, the slide deck does not identify FaceTec's 3D liveness technology as a key differentiator, and instead, explains that the ZoOm app and patented facial recognition authentication technology "allows strong facial authentication using 2D cameras on any smart device." (*Id.* at 8.)

Between February 2014 and July 2015, three other Perkins lawyers—Brian Coleman, Agatha Liu, and Jordan Becker[3]—represented FaceTec in patent-related matters. During this period, FaceTec filed at least six patent applications "related to subject matter included in FaceTec's ZoOm technology, each of which list[ed] Perkins Coie as the correspondence address in the USPTO records and wherein Perkins attorneys, including Coleman, Becker, and Liu directly participated in and/or handled the preparation, filing, and/or prosecution" of the patents, and at least seven patent applications "related to FaceTec's ZoOm technology, wherein Perkins attorneys . . . directly participated in and/or handled the preparation, filing, and/or prosecution" of the patents. (Tussy Decl. ¶¶ 17-18.) In addition to Perkins' "work to obtain patent protection on patent applications that contained ideas and concepts" that are embodied in the ZoOm

[3] Coleman and Liu both left Perkins before this litigation commenced, and Becker left the firm afterward. (Dkt. No. 70 at 19.) Ness is still at the firm.

product, the attorneys also "provide[d] intellectual property counseling on . . . the development of FaceTec's patent portfolio related to its biometric facial verification and facial recognition technology." (*Id.* ¶ 19.)

During this approximately 17-month period, Perkins billed a total of 255 hours in relation to 13 potential patent applications, none of which were the Asserted Patents at issue in this case. (Ness Decl. ¶ 14.) During 2015—the year that Tussy conceived of the invention disclosed in the Asserted Patents—Becker recorded no hours on any FaceTec matter, Coleman recorded 4 total hours, and Liu recorded 5.5 total hours. (Dkt. No. 70-34 ("Porter Decl.") ¶ 8.) However, none of the billed time corresponded to work on the Asserted Patents "or any patent to which those patents claim priority." (*Id.*)

In May 2016, FaceTec "terminated [Perkins'] engagement of it for patent work and requested that the Firm transfer all of its patent files for FaceTec to FacTec's patent lawyers at the firm Weide & Miller." (Ness Decl. ¶ 11.) After the file transfer, Perkins' work for FaceTec was "limited to 66 hours related to corporate financing and 11 hours related to work in connection with a license agreement." (*Id.* ¶ 12.) Perkins' last time record for FaceTec was November 9, 2017, when the firm billed 0.7 hours for "attend[ing] to revisions to options grants." (*Id.* ¶ 5.) In April 2019, Perkins closed FaceTec as a client based on inactivity. After April 2019, Ness had minimal correspondence with FaceTec, "limited to introductions to investors and an investment banker." (*Id.*)

## II. LEGAL STANDARD

"Motions to disqualify counsel are decided under state law." *WhatsApp Inc. v. NSO Grp. Techs. Ltd.*, No. 19-cv-07123, 2020 WL 7133773, at *2 (N.D. Cal. June 16, 2020) (citing *Radcliffe v. Hernandez*, 808 F.3d 537, 543 (9th Cir. 2016)); *see also* Civ. L.R. 11-4(a). Because efforts to disqualify counsel are "often tactically motivated and disruptive to the litigation process, disqualification is a drastic measure that is generally disfavored." *QuickLogic Corp. v. Konda Techs., Inc.*, 618 F. Supp. 3d 873, 883 (N.D. Cal. 2022) (the party seeking disqualification bears at "heavy burden"). However, "the paramount concern must be the

preservation of public trust both in the scrupulous administration of justice and in the integrity of the bar," meaning that where circumstances require, disqualification will be granted. *State Farm Mut. Auto. Ins. Co. v. Fed. Ins. Co.*, 86 Cal. Rptr. 2d 20, 24 (Ct. App. 1999).

Under California Rule of Professional Conduct 1.9, "[a] lawyer who has formerly represented a client in a matter shall not thereafter represent another person in the same or a substantially related matter in which that person's interests are materially adverse to the interests of the former client unless the former client gives informed written consent." For purposes of the rule, "[t]wo matters are 'the same or substantially related' . . . if they involve a *substantial risk* of a violation" of either of the two duties a lawyer owes to their former client: that is, the duty to not "(i) do anything that will injuriously affect the former client in any matter in which the lawyer represented the former client, or (ii) at any time use against the former client knowledge or information acquired by virtue of the previous relationship." Cal. R. Prof. Conduct 1.9, cmts. 1, 3 (emphasis added). For example, this will occur if "the lawyer normally would have obtained information in the prior representation that [is attorney-client privileged] . . . and the lawyer would be expected to use or disclose that information in the subsequent representation because it is material to the subsequent representation." *Id.*, cmt. 3; *see also Jessen v. Hartford Casualty Ins. Co.*, 3 Cal. Rptr. 3d 877, 887-88 (Ct. App. 2003) (explaining that successive representations are substantially related "when the evidence before the trial court supports a rational conclusion that information material to the evaluation, prosecution, settlement or accomplishment of the former representation given its factual and legal issues is also material to the evaluation, prosecution, settlement or accomplishment of the current representation given its factual and legal issues"). "Where the requisite substantial relationship between the subjects of the prior and the current representations can be demonstrated, access to confidential information by the attorney in the course of the first representation . . . is *presumed* and disqualification of the attorney's representation of the second client is mandatory." *Jessen*, 3 Cal. Rptr. 3d at 882 (emphasis in original).

Rule 1.10 expands the scope of Rule 1.9's prohibition by imputing the conflict to all

attorneys in the conflicted attorney's firm. Specifically, Rule 1.10(a) states, "[w]hile lawyers are associated in a firm, none of them shall knowingly represent a client when any one of them practicing alone would be prohibited from doing so" by Rule 1.9, barring certain exceptions. Additionally, under Rule 1.10(b), "[w]hen a lawyer has terminated an association with a firm, the firm is not prohibited from thereafter representing a person with interests materially adverse to those of a client represented by the formerly associated lawyer and not currently represented by the firm, unless: (1) the matter is the same or substantially related to that in which the formerly associated lawyer represented the client; and (2) any lawyer remaining in the firm has information protected . . . that is material to the matter."

## III. DISCUSSION

### A. Waiver

Before proceeding to the merits, the Court considers whether FaceTec waived its right to move for disqualification. FaceTec has not. "It is well settled that a former client who is entitled to object to an attorney representing an opposing party on the ground of conflict of interest but who knowingly refrains from asserting it promptly is deemed to have waived that right." *Diva Limousine, Ltd. v. Uber Techs., Inc.*, No. 18-cv-05546, 2019 WL 144589, at *14 (N.D. Cal. Jan. 9, 2019) (internal quotation omitted). That delay must be "extreme or unreasonable before it operates as a waiver." *Liberty Nat'l Enterprises, L.P. v. Chicago Title Ins. Co.*, 123 Cal. Rptr. 3d 498, 502 (Ct. App. 2011).

Here, the delay was neither extreme nor unreasonable. Perkins entered its appearance in the case on August 7, 2024. (Dkt. No. 15.) As FaceTec explained at oral argument, it took time to engage in the requisite investigation to prepare the motion for disqualification, which was ultimately filed on December 16, 2024. The motion relies on emails and documents from 2015, which FaceTec represented were not easily accessible and understandably took some weeks to locate, gather, and analyze. That timeline is reasonable and does not provide a basis to find that FaceTec waived its right to move for disqualification.

**B. Disqualification**

Perkins' representation of FaceTec falls into two broad categories: First, there is the specific patent prosecution work that Perkins' attorneys undertook on behalf of FaceTec. Second, there is the general corporate work and intellectual property strategy counseling that Perkins provided to help FaceTec obtain patent protection of its ZoOm product. Although FaceTec's motion focuses primarily on the first category of Perkins' representation as a basis to support disqualification, for the reasons explained below, the patent prosecution work does not provide a basis for disqualification, but Perkins' general corporate and intellectual property counseling does.

**1. Patent prosecution work**

As previously detailed, Brian Coleman, Agatha Liu, and Jordan Becker worked on 13 patents for FaceTec. But the patent prosecution work that Perkins conducted for FaceTec "did not relate to the Asserted Patents," "any family member of the Asserted Patents," or the technology claimed in the Asserted Patents. (Dkt. No. 70-1 ("Bahr Decl.") ¶ 16; *see also id.* ¶ 10 (concluding that, "after reviewing each of the patent applications prosecuted by Perkins Coie, along with the Asserted Patents and their file histories, that the patent applications Perkins Coie was working on describe technology that is unrelated to the claimed technology in the Asserted Patents").)[4]

Nor is there evidence that any Perkins lawyer worked directly on the Asserted Patents. In his declaration, Bahr states that after reviewing the file history of the Asserted Patents, he could "find no mention of Perkins Coie, the Perkins Coie Customer Number used for its FaceTec applications (Customer Number 22918), or the Perkins Coie attorneys mentioned in the motion to disqualify (Lowell Ness, Jordan Becker, Brian Coleman, and Agatha Liu)." (*Id.* ¶ 40.) The Porter declaration corroborates this position, stating in relevant part:

[4] FaceTec's evidentiary objection to Robert Bahr's declaration is denied because his technical expertise provides a basis for his opinion on whether Perkins' patent work was related to the Asserted Patents or was related to any technology claimed in the Asserted Patents. This is not an opinion on an ultimate issue of law.

> I received PDFs of the billing records for the three Perkins Coie lawyers who represented FaceTec in connection with patent prosecution matters, Brian Coleman, Agatha Liu, and Jordan Becker. Attached as Exhibit "2" to this declaration are true and correct copies of all of the billing entries for those lawyers. I understand that FaceTec claims that the invention disclosed in the Asserted Patents was conceived sometime in 2015 and was first disclosed in either the '584 provisional or '505 application. I reviewed all of the time records attached as Exhibit "2," and there is no time billed for reviewing either of those items. Furthermore, I reviewed all time entries for 2015 and none reference reviewing either of these applications, and none suggest that Perkins Coie was consulted with respect to these applications.

(Porter Decl. ¶ 8.)

Additionally, there is no evidence in the record that any Perkins attorney reviewed the applications to which the Asserted Patents claim priority. There is no evidence that Perkins worked on the '584 provisional application, or the '505 utility application that it led to, which FaceTec later filed in August 2015. There is an email exchange between Tussy and Miller, FaceTec's new counsel, in which Tussy emailed Miller on August 24, 2015, saying: "Can you hurry with it?? I want to get Perkins coie's guys to just read through it once before we fuile [sic]." (Tussy Decl., Exh 3 at 4.) However, though Miller's declaration contains a conclusory statement that he sent it to Perkins—"I responded that I would send over the draft that day, which I did"—he does not say how he is able to recall that fact almost ten years later and does not attach the pertinent email. (Dkt. No. 61-13 ("Miller Decl.") ¶ 36.) Nor has FaceTec provided evidence that any Perkins attorney received the draft or billed time to FaceTec around August 24, 2015.

Based on the information in the record, it does not appear that Perkins' patent prosecution work was substantially related to the litigation currently before the Court, nor does FaceTec provide evidence to support that inference. Thus, Perkins' specific patent prosecution work does not provide a basis for disqualification.

**2. General corporate and intellectual property counseling**

By contrast, Perkins' corporate work and intellectual property counseling is substantially related to the pending litigation. A substantial risk exists that, through its representation of

FaceTec, Perkins learned of confidential information that could be material to the resolution of issues in this case.

Perkins provided intellectual property counseling to FaceTec in order to help FaceTec develop a strategy to enable patent protection for FaceTec's product, ZoOm. In this capacity, Coleman, Liu, Becker, and other Perkins attorneys "were provided with extensive FaceTec information, including confidential information, about the intricate details of FaceTec's technology and intellectual property strategies related to FaceTec's biometric facial verification and facial recognition technology." (Tussy Decl. ¶ 14.) This characterization was not rebutted by Jumio. The Perkins attorneys "provided FaceTec counseling on the strategy and reasoning behind the selection of which information was or was not included in a patent application." (*Id.*) As Tussy attested, he "wanted Perkins Coie to be deeply involved with FaceTec's technology and intellectual property strategies on the very same priority and parent patent applications that underlie" the Asserted Patents. (*Id.* ¶ 19.) To carry out that work, it is difficult to see how the Perkins attorneys would not have been required to learn how FaceTec's ZoOm product worked, and what specific features made it unique, innovative, and profitable.

As previously explained, Ness, in particular, had access to confidential information about the reasons behind the commercial success of FaceTec's product. Ness was provided with a copy of a confidential slide deck in August 2015, which explained that the "patented facial recognition authentication technology allows strong facial authentication using 2D cameras on any smart device," and included the chart identifying the "key differentiators" between FaceTec's technology as compared to others' technology. (MasterCard Slide Deck at 8, 10; *see also id.* at 7 (ZoOm "Records high-resolution Selfie Video as you Move your Phone Toward your Face").) This information is important not only because it was confidential at the time, but because it provided Perkins with insight into what *FaceTec* believed was innovative about its product, which Perkins could only have gained through the course of its prior representation of FaceTec. Access to such insight effectively provided Perkins with a head start in this litigation by, for example, providing Perkins with insight into FaceTec's view of what makes its product

valuable. Based on this confidential information, Perkins is now better situated to advocate for Jumio by seeking discovery in the form of documents or testimony from current and former FaceTec employees about the true drivers of ZoOm's commercial success in 2015.

Moreover, given Perkins' role in advising FaceTec on "strategies for patent protection" in 2014 and 2015, Perkins would be expected to have regularly received information about FaceTec's views about what separated ZoOm from prior art systems at the time. (Tussy Decl. ¶ 25.) As Tussy explains in his declaration, it is his view that "FaceTec's ZoOm biometric technology solves problems that plagued previous (i.e., prior art) systems" and "can be implemented on nearly any camera-equipped computing device." (*Id.* ¶ 6.) There is a significant risk that confidential conversations with Perkins on that topic would be material to the question of whether FaceTec really believed that the 3D liveness technology at issue in this litigation solved a problem that had plagued prior systems, and thus, by FaceTec's own admissions, whether the claimed invention was non-obvious in 2015.

There is a significant risk that the information described above will become material to the current litigation. Perhaps most directly, the information may bear on questions of patentability under 35 U.S.C. § 103—that is, the non-obviousness of the technology claimed in the Asserted Patents. "To establish invalidity under 35 U.S.C. § 103, certain factual predicates are required before the legal conclusion of obviousness or non-obviousness can be reached. The underlying factual determinations to be made are (1) the scope and content of the prior art; (2) the differences between the claimed invention and the prior art; (3) the level of ordinary skill in the art; and (4) objective evidence of non-obviousness, such as commercial success, long-felt but unsolved need, failure of others, copying, and unexpected results." *Apple Computer, Inc. v. Articulate Sys., Inc.*, 234 F.3d 14, 26 (Fed. Cir. 2000) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966)). In particular, because "[t]he problem of hindsight plagues the non-obviousness inquiry," objective evidence of "commercial success (and other secondary considerations) can be 'the most probative and cogent evidence in the record'" with respect to the inquiry. *Rambus Inc. v. Hynix Semiconductor Inc.*, 254 F.R.D. 597, 601 (N.D. Cal. 2008)

(citing *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 420 (2007) and quoting *Stratoflex, Inc. v. Aeroquip Corp.*, 713 F.2d 1530, 1538-39 (Fed. Cir. 1983)).

It is easy to imagine how the information that Perkins received in the course of its representation of FaceTec runs a significant risk of being directly material to Jumio's defense, particularly as it relates to the nexus between the Asserted Patents and the commercial success of the ZoOm product. For example, it is FaceTec's position that its "ZoOm technology has been highly successful and has been used by over a billion people worldwide," (Tussy Decl. ¶ 6), in part because it "solves problems that plagued prior art systems, both 2D and 3D, including that (a) 2D liveness technology simply does not have the necessary accuracy to detect today's sophisticated threats, and (b) that FaceTec's 'one size fits all' solution can be implemented on nearly any camera-equipped computing device," (Compl. ¶ 19). Presumably, however, Jumio will argue that ZoOm's commercial success was based on other key differentiators and cannot be attributed to the 3D liveness technology at issue in the Asserted Patents. Indeed, as Jumio might argue, the 3D liveness technology is not even mentioned as a key differentiator in FaceTec's slide deck from August 2015. Perkins' access to confidential information about what other ZoOm features were the drivers of the product's commercial success in 2015, and which current or former FaceTec employees would be best positioned to explain those facts, could well be highly material to the issue of obviousness.

Accordingly, based on the nature of Perkins' representation, there runs a significant risk that the firm received confidential information that may be material to the subject matter of this litigation—which is sufficient to find that the matters are substantially related. Although disqualification is disfavored, this is a circumstance in which it is appropriate.

**C. Screening**

Finally, Perkins' implementation of a cautionary screen to wall off any attorney who had previously performed work for FaceTec cannot cure the problem. Ness remains at the firm, and Becker was still associated with the firm at the time Perkins began representing Jumio in this case. Rule 1.10 would allow a cautionary screen to be used to cure disqualification if (1) Perkins

was being disqualified based on one of their attorneys' work for a prior firm or work in which that attorney did not substantially participate, and written notice of the screen was provided to the former client FaceTec, or (2) none of the attorneys that received the confidential information at issue was still associated with Perkins. Neither of those situations applies here. Accordingly, under Rule 1.10(c), disqualification can only be avoided if the conflict is waived by the former client, FaceTec, which has not occurred.

Perkins suggests that the Court should nonetheless exercise its discretion to overlook the violation of the conflict of interest rules because the cautionary screen would have prevented the sharing of confidential information. (Dkt. No. 70 at 18-19.) That discretion is not properly exercised here. Perkins implemented its internal screen without informing FaceTec of the conflict, and has provided no explanation for that failure. Such notice to the former client is critical to make "the interested party aware of the potential threat to its confidential information and the measures taken to prevent the improper use or disclosure of such information" and to provide "an enforcement mechanism, in that the interested party will be able to suggest measures to strengthen the wall, and to challenge any apparent breaches." *Kirk v. First Am. Title Ins. Co.*, 108 Cal. Rptr. 3d 620, 648 (Ct. App. 2010). No such notice was provided here. *See Google LLC v. NAO Tsargrad Media*, No. 24-cv-05423, 2024 WL 4844799, at *11 (N.D. Cal. Nov. 19, 2024) (describing the heightened concerns of bad faith that may be posed by the failure to provide such notice). Though disqualification is a remedy that should rarely be granted, it is appropriate here in order to advance substantial justice and to preserve the public trust in the integrity of the bar and the administration of justice.

## IV. CONCLUSION

For the foregoing reasons, the motion to disqualify Perkins Coie as Jumio's counsel in this litigation is granted.[5] Accordingly, the case is stayed, pending appointment of new counsel

[5] To the extent that FaceTec's motion seeks a broader disqualification of Perkins in other pending matters before other tribunals, that request is beyond this Court's purview, and is denied.

to represent Jumio.

The remaining motions currently under submission—the motion to stay the case pending *inter partes* review (Dkt. No. 54), the rule 12(c) motion for judgment on the pleadings that the asserted claims lack patentable subject matter (Dkt. No. 57), the motion to strike FaceTec's infringement contentions (Dkt. No. 73), and the amended motion to strike FaceTec's infringement contentions (Dkt. No. 79)[6]—are denied without prejudice to being refiled once new counsel has appeared for Jumio and the case is unstayed.

Jumio is ordered to appear through new counsel by **April 30, 2025**, or to file a written explanation by that date as to why new counsel could not be retained by the deadline despite the exercise of diligence.

**IT IS SO ORDERED.**

Dated: March 28, 2025

RITA F. LIN
United States District Judge

[6] The motions filed by Intervenor iProov are denied without prejudice to being refiled after Jumio obtains counsel, because Jumio would have a right to participate in their adjudication, as those motions affect Jumio's rights.