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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

MYGO, LLC, a California corporation,  
Plaintiff,  
v.  
MISSION BEACH INDUSTRIES, LLC,  
a California corporation,  
Defendant.

Case No.: 3:16-cv-02350-GPC-RBB

**ORDER GRANTING IN PART AND DENYING IN PART PLAINTIFF’S MOTION TO DISMISS AND MOTION TO STRIKE WITOHUT PREJUDICE**

**[ECF No. 10.]**

Before the Court is Plaintiff and Counterdefendant MyGo, LLC’s (“Plaintiff’s” or “MyGo’s”) motion to dismiss Defendant and Counterclaimant Mission Beach Industries, LLC’s (“Defendant’s” or “MBI’s”) first through fifth counterclaims pursuant to Fed. R. Civ. P. 12(b)(6) and motion to strike MBI’s second, third, fourth, fifth, and eighth affirmative defenses pursuant to Fed. R. Civ. P. 12(f). (Dkt. No. 10 at 1–2.<sup>1</sup>) The motion has been fully briefed. (Dkt. Nos. 19, 20.) The Court deems Plaintiff’s motion suitable for disposition without oral argument pursuant to Civil Local Rule 7.1(d)(1). Having reviewed the moving papers and the applicable law, and for the reasons set forth below, the Court **GRANTS IN PART and DENIES IN PART** MyGo’s motion to dismiss and

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<sup>1</sup> All citations to the record are based upon pagination generated by the CM/ECF system.

1 **GRANTS IN PART and DENIES IN PART** MyGo’s motion to strike. (Dkt. No. 10.)

2 **BACKGROUND**

3 MyGo designs and sells the MyGo Mouth Mount, a camera mouth mount for  
4 GoPro® cameras. (Dkt. No. 1, Compl. ¶ 8.) On March 4, 2015, MyGo filed United  
5 States Patent Application No. 14/639,040. (*Id.* ¶ 9; Dkt. No. 1-3.) This patent  
6 application claimed priority to United States Provisional Patent Application No.  
7 61/948,308, which was filed on March 4, 2014. (*Id.*) On September 10, 2015, MyGo’s  
8 patent application was published as United States Patent Application Publication No.  
9 2015/025361 (“MyGo’s published patent application”). (*Id.*) On July 5, 2016, the  
10 United States Patent and Trademark Office (“PTO”) issued United States Patent No.  
11 9,383,630 (“‘630 Patent” or “patent-in-suit”), entitled “Camera Mouth Mount.” (Compl.  
12 ¶ 9; Dkt. No. 1-2.) MyGo owns all rights to the ‘630 Patent pursuant to an assignment  
13 recorded at the PTO on May 19, 2015. (Compl. ¶ 9.)

14 MyGo alleges that “MBI is and has been making, using, selling, offering for sale,  
15 and importing a number of camera mouth mount products that infringe the ‘630 Patent,  
16 including without limitation MBI’s Dummy Mount (in various colors), Dummy Mount  
17 Kit, Dummy Bundle Kit (in various colors), and Dummy V2 Mouth Mount.” (*Id.* ¶ 10.)  
18 MBI sells these products via MBI’s website, third-party websites, and various retailers  
19 within the United States and worldwide. (*Id.*) Shortly after filing its patent application,  
20 MyGo informed MBI of its patent application, MyGo’s potential patent rights, and MBI’s  
21 potential infringement liability on May 14, 2014. (*Id.* ¶ 11.)

22 On April 28, 2015, MBI filed United States Patent Application No. 14/698,700  
23 (“MBI’s patent application”) for a patent entitled “Video Mouthpiece Apparatus and  
24 Method of Making Same.” (*Id.* ¶ 12.) MBI’s patent application claims priority to United  
25 States Provisional Patent Application No. 61/985,461, which was filed on April 29, 2014.  
26 (*Id.*)

27 MyGo alleges that MyGo’s published patent application is prior art to the subject  
28 matter of MBI’s patent application under 35 U.S.C. § 102(a)(2). (*Id.* ¶ 13.) On January

1 20, 2016, MyGo's PTO representative submitted a Third-Party Submission Under 37  
2 C.F.R. § 1.290 in MBI's patent application to request that the PTO consider MyGo's  
3 published patent application as prior art. (*Id.*) The PTO subsequently issued an Office  
4 Action on February 3, 2016 rejecting all pending claims of MBI's patent application as  
5 being anticipated by prior art references. (*Id.*) The PTO issued a Notice of  
6 Abandonment on August 2, 2016 regarding MBI's failure to reply to the Office Action.  
7 (*Id.*)

8 Based on publicly accessible information on the PTO's online Patent Application  
9 Information Retrieval system, MyGo alleges on information and belief that MBI has no  
10 patents pending. (*Id.* ¶ 14.) MyGo alleges that MBI nonetheless advertises on its website  
11 that it has patents pending in connection with the allegedly infringing products. (*Id.* ¶ 15;  
12 Dkt. No. 1-5.)

13 On September 16, 2016, MyGo filed a Complaint against MBI asserting five  
14 claims for relief: (1) patent infringement under 35 U.S.C. §§ 154 and 271; (2) federal  
15 false marking under 35 U.S.C. § 292; (3) false advertising under 28 U.S.C. § 1125(a); (4)  
16 unfair competition under California common law; and (5) unfair competition under the  
17 California Unfair Competition Law ("UCL"), Cal. Bus. & Prof. Code § 17200 *et seq.*  
18 (Dkt. No. 1.)

19 On October 17, 2016, MBI filed an Answer with five counterclaims and eight  
20 affirmative defenses. (Dkt. No. 7.) MBI asserts the following counterclaims: (1)  
21 declaratory judgment of non-infringement; (2) declaratory judgment of invalidity of the  
22 '630 Patent; (3) invalidity based on fraud on the PTO and inequitable conduct; (4) unfair  
23 competition under California common law; and (5) unfair competition under the UCL.  
24 (*Id.*) MBI asserts the following affirmative defenses to MyGo's Complaint: (1) failure to  
25 state a claim under Fed. R. Civ. P. 12(b)(6); (2) non-infringement; (3) invalidity for  
26 failure to comply with 35 U.S.C. §§ 101, 102, 103, and/or 112; (4) inequitable conduct  
27 and fraud on the PTO; (5) unclean hands; (6) adequate remedy at law; (7) prosecution  
28 history estoppel; and (8) patent misuse. (*Id.*)

1 MyGo filed the instant motion to dismiss and motion to strike on November 3,  
2 2016. (Dkt. No. 10.)

### 3 LEGAL STANDARDS

#### 4 A. Rule 12(b)(6)

5 A motion to dismiss under Federal Rule of Civil Procedure 12(b)(6) tests the  
6 sufficiency of a complaint. *Navarro v. Block*, 250 F.3d 729, 732 (9th Cir. 2001). While a  
7 plaintiff need not give “detailed factual allegations,” a plaintiff must plead sufficient facts  
8 that, if true, “raise a right to relief above the speculative level.” *Bell Atlantic Corp. v.*  
9 *Twombly*, 550 U.S. 544, 545 (2007). “To survive a motion to dismiss, a complaint must  
10 contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is  
11 plausible on its face.’” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Twombly*,  
12 550 U.S. at 547). A claim is facially plausible when the factual allegations permit “the  
13 court to draw the reasonable inference that the defendant is liable for the misconduct  
14 alleged.” *Id.* In other words, “the non-conclusory ‘factual content,’ and reasonable  
15 inferences from that content, must be plausibly suggestive of a claim entitling the  
16 plaintiff to relief.” *Moss v. U.S. Secret Service*, 572 F.3d 962, 969 (9th Cir. 2009).  
17 “Determining whether a complaint states a plausible claim for relief will . . . be a context-  
18 specific task that requires the reviewing court to draw on its judicial experience and  
19 common sense.” *Iqbal*, 556 U.S. at 679.

20 In reviewing a motion to dismiss under Rule 12(b)(6), the court must assume the  
21 truth of all factual allegations and must construe all inferences from them in the light  
22 most favorable to the nonmoving party. *Thompson v. Davis*, 295 F.3d 890, 895 (9th Cir.  
23 2002); *Cahill v. Liberty Mut. Ins. Co.*, 80 F.3d 336, 337–38 (9th Cir. 1996). Legal  
24 conclusions, however, need not be taken as true merely because they are cast in the form  
25 of factual allegations. *Ileto v. Glock, Inc.*, 349 F.3d 1191, 1200 (9th Cir. 2003); *W.*  
26 *Mining Council v. Watt*, 643 F.2d 618, 624 (9th Cir. 1981). When ruling on a motion to  
27 dismiss, the court may consider the facts alleged in the complaint, documents attached to  
28 the complaint, documents relied upon but not attached to the complaint when authenticity

1 is not contested, and matters of which the court takes judicial notice. *Lee v. Los Angeles*,  
2 250 F.3d 668, 688–89 (9th Cir. 2001).

3 Where a motion to dismiss is granted, “leave to amend should be granted ‘unless  
4 the court determines that the allegation of other facts consistent with the challenged  
5 pleading could not possibly cure the deficiency.’” *DeSoto v. Yellow Freight Sys., Inc.*,  
6 957 F.2d 655, 658 (9th Cir. 1992) (quoting *Schreiber Distrib. Co. v. Serv-Well Furniture*  
7 *Co.*, 806 F.2d 1393, 1401 (9th Cir. 1986)).

### 8 **B. Rule 12(f)**

9 Under Federal Rule of Civil Procedure 12(f), the Court may, by motion or on its  
10 own initiative, strike “an insufficient defense or any redundant, immaterial, impertinent  
11 or scandalous” matter from the pleadings. Fed. R. Civ. P. 12(f). The purpose of Rule  
12 12(f) is “to avoid the expenditure of time and money that must arise from litigating  
13 spurious issues by disposing of those issues prior to trial.” *Whittlestone, Inc. v. Handi-*  
14 *Craft Co.*, 618 F.3d 970, 973 (9th Cir. 2010) (quoting *Fantasy, Inc. v. Fogerty*, 984 F.2d  
15 1524, 1527 (9th Cir. 1993), *rev’d on other grounds by Fogerty v. Fantasy, Inc.*, 510 U.S.  
16 517 (1994)).

17 The Court must view the pleading in the light more favorable to the pleader when  
18 ruling on a motion to strike. *In re 2TheMart.com, Inc. Sec. Litig.*, 114 F. Supp. 2d 955,  
19 965 (C.D. Cal. 2000) (citing *California v. United States*, 512 F. Supp. 36, 39 (N.D. Cal.  
20 1981)). Motions to strike are regarded with disfavor because striking is such a drastic  
21 remedy. *Freeman v. ABC Legal Servs., Inc.*, 877 F. Supp. 2d 919, 923 (N.D. Cal. 2012).  
22 If a claim is stricken, leave to amend should be freely given when doing so would not  
23 cause prejudice to the opposing party. *Vogel v. Huntington Oaks Delaware Partners,*  
24 *LLC*, 291 F.R.D. 438, 440 (C.D. Cal. 2013) (citing *Wyshak v. City Nat’l Bank*, 607 F.2d  
25 824, 826 (9th Cir. 1979)).

## 26 **DISCUSSION**

### 27 **I. Motion to Dismiss Counterclaims**

28 MyGo moves to dismiss MBI’s first through fifth counterclaims pursuant to Rule

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