

United States District Court
Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CISCO SYSTEMS INC.,
Plaintiff,
v.
DYNAMIC MESH NETWORKS, INC., et
al.,
Defendants.

Case No. 25-cv-06441-NW

**ORDER GRANTING MOTION TO
DISMISS AND TERMINATING
MOTION TO CONSIDER WHETHER
ANOTHER PARTY’S MATERIAL
SHOULD BE SEALED**

Re: ECF Nos. 39, 48

On August 22, 2025, Defendant Dynamic Mesh Networks, Inc. dba MeshDynamics (“Dynamic Mesh”) and Defendant Francis daCosta (“Defendants”) filed a motion to dismiss Plaintiff Cisco System, Inc.’s (“Cisco” or “Plaintiff”) declaratory judgment complaint. ECF No. 39.¹ Having considered the parties’ briefs and the relevant legal authority, the Court concludes oral argument is not required, *see* N.D. Cal. Civ. L.R. 7-1(b), VACATES the hearing scheduled for January 14, 2026, GRANTS the motion, and DISMISSES the complaint without prejudice.

Additionally, Cisco filed an administrative motion to consider whether another party’s material should be sealed. ECF No. 48. In it, Cisco seeks consideration of whether Defendants’ material should be sealed. *Id.* However, Defendants failed to file a statement or declaration describing “the applicable legal standard and the reasons for keeping a document under seal” pursuant to Civil Local Rule 79-5(f)(3) (emphasis in original). Therefore, Cisco’s motion is TERMINATED and the material sought to be sealed will be unsealed within ten court days of this Order, unless Defendants submit a declaration or statement in keeping with Civil Local Rule 79-5(f)(3) no later than four court days from this Order.

¹ Record citations are to material in the Electronic Case File (“ECF”); pinpoint citations are to the ECF-generated page numbers at the top of documents.

I. BACKGROUND

This case is not the first between the parties. On May 5, 2025, in the Eastern District of Texas, Defendant Dynamic Mesh filed an initial lawsuit against Cisco alleging infringement of five patents: U.S. Patent Nos. 7,420,952; 7,885,243; 7,894,385; 8,520,691; and 11,368,537. *See Dynamic Mesh Networks, Inc. d/b/a MeshDynamics v. Cisco Systems, Inc.*, Case No.-2-25-cv-00472 (E.D. Tex.) (“First Texas Case”). About a month later, on June 6, 2025, Dynamic Mesh filed a second Texas lawsuit against Cisco alleging infringement of three different patents: U.S. Patent Nos. 8,477,762; 8,514,852; and 9,049,000. *Dynamic Mesh Networks, Inc. d/b/a MeshDynamics v. Cisco Systems Inc. et al*, Case No. 2-25-cv-00606 (E.D. Tex.) (“Second Texas Case”).

Cisco answered the complaint in the first case on July 14, 2025, and asserted affirmative defenses. ECF No. 40-3. In particular, Cisco asserted that because “MeshDynamics lacks all substantive rights to bring suit and to exclude others from practicing the claims of one or more of the Patents-in-Suit, MeshDynamic’s claims are barred by lack of standing and the court lacks subject matter jurisdiction.” *Id.* at 53.

At the time Cisco answered, Dynamic Mesh “was conducting [a] review of its custodial documents for production . . . [and] identifying documents that may be relevant to the ownership of the patents-in-suit in response to Cisco’s standing defense.” ECF No. 40 at 3. During this mid-July review, Dynamic Mesh discovered an agreement between it and Chirp Networks, Inc. dated March 1, 2022, which assigned all Dynamic Mesh’s patent rights (including all patents asserted in both suits) to Chirp Networks, Inc. *Id.*; *see also* ECF No. 40-6 (“March 2022 Assignment”). The March 2022 Assignment names Dynamic Mesh as the Seller and lists twelve patents and one patent application as “Intellectual Property of assets of Seller.” ECF No. 40-6 at 3-4. It states “Seller hereby sells, assigns, transfers, contributes, conveys, and delivers to Buyer [Chirp Networks, Inc.], on the date hereof, good, valid, and marketable title to the Assets,” which include “All patent rights owned by Seller including, without limitation, all registrations and applications therefore (including, without limitation, all continuations, divisionals, reissues and re-examinations), and any right to apply for, register and prosecute the such patents, in all countries,

1 and any right to recover for damages and profits for past infringements thereof.” *Id.* at 4, 6. Thus,
2 long before filing the two cases against Cisco in East Texas, Dynamic Mesh assigned all its patent
3 rights (relevant to its actions against Cisco) to a third party, Chirp Networks, Inc.

4 Soon after discovering the March 2022 Assignment, Dynamic Mesh informed Cisco of the
5 issue, characterizing it as a standing deficiency. ECF No. 40 at 4. Specifically, on July 25, 2025,
6 Dynamic Mesh indicated that it planned to seek “a court order dismissing the first case without
7 prejudice” and would “refile the complaint . . . to keep the case on the original schedule provided
8 in the scheduling conference held on July 18, 2025.” *Id.* The parties met and conferred on the
9 issue on July 29, 2025, where Dynamic Mesh indicated that it would voluntarily dismiss the
10 second case against Cisco (because Cisco had not yet answered) and refile it after addressing the
11 standing issue. *Id.* Dynamic Mesh also noted that it was “working on addressing the standing
12 issue ‘every day.’” *Id.* Cisco did not mention its intention to file a declaratory judgment action
13 during this meet and confer. *Id.*

14 On July 30, 2025, Dynamic Mesh sent Cisco a draft stipulation and proposed order seeking
15 Cisco’s approval to dismiss the First Texas Case. *Id.* On July 31, 2025, at 12:34 p.m. Eastern,
16 Cisco confirmed its approval of the draft stipulation and “attached the stipulation signed by
17 Cisco’s counsel with its signature block.” ECF No. 40 at 5. The same day, at 2:03 p.m. Eastern
18 and 2:07 p.m. Eastern “Dynamic Mesh filed the stipulation and notice of dismissal in the [two]
19 Texas cases, with proposed orders.” *Id.* Cisco filed the instant declaratory judgment action mere
20 minutes later, at 11:21 a.m. Pacific, or 2:21 p.m. Eastern the same day. *See* ECF No. 1. Later that
21 day, at 1:08 p.m. Pacific, or 4:08 p.m. Eastern, Cisco amended its complaint to add claims related
22 to the three patents asserted in the Second Texas Case. *See* ECF No. 5.

23 “On August 3, 2025, Judge Payne signed the orders dismissing the cases, and the [Texas]
24 cases were closed on August 4, 2025.” ECF No. 40 at 5. On August 11, 2025, Chirp Networks
25 executed an assignment of the patents-in-suit from Chirp Networks to Dynamic Mesh. ECF No.
26 42-8 (“August 2025 Assignment”). The August 2025 Assignment “assigns and transfers to
27 ASSIGNEE [Dynamic Mesh] its entire right, title, and interest in and to any and all patents or
28 patent applications owned by ASSIGNOR [Chirp Networks], including the patent properties

1 identified in Appendix A.” *Id.* at 4. Listed in Appendix A are U.S. Patent Nos. 7,420,952;
 2 7,885,243; 7,894,385; 8,477,762; 8,514,852; 8,520,691; 9,049,000; and 11,368,537. *Id.* at 6. Out
 3 of an abundance of caution, additional assignments and a quitclaim agreement were executed on
 4 August 11, 2025 “to confirm Dynamic Mesh as the sole owner of the patents-in-suit and to
 5 conclusively address any potential standing issues.” ECF No. 40 at 6.

6 The day after executing the assignments, on August 12, 2025, “Dynamic Mesh refiled the
 7 exact same infringement complaints for the patents-in-suit in two cases in the Eastern District of
 8 Texas.” *Id.* (emphasis omitted).

9 On August 22, 2025, Defendants² filed a motion to dismiss Cisco’s complaint in this case
 10 for lack of subject matter jurisdiction, or in the alternative, for failing to state a claim. ECF No.
 11 39. Cisco opposed and Dynamic Mesh filed a reply. ECF Nos. 47, 49. Cisco then filed
 12 objections to evidence filed with Dynamic Mesh’s reply.³ ECF No. 51. On December 17, 2025,
 13 the parties stipulated to the dismissal of Cisco’s claims in this action seeking declaratory judgment
 14 of non-infringement of U.S. Patent No. 11,368,537 (“the ’537 patent”). ECF No. 64. Therefore,
 15 as it currently stands, Cisco’s first through seventh claim for relief remain in the case, and Cisco’s
 16 eighth claim for a declaratory judgment that Cisco does not infringe the ’537 patent has been
 17 dismissed pursuant to the parties’ stipulation.

18 **II. LEGAL STANDARD**

19 **A. Rule 12(b)(1)**

20 Federal Rule of Civil Procedure 12(b)(1) allows a party to challenge a federal court’s
 21 jurisdiction over the subject matter of the complaint. As the party invoking the jurisdiction of the
 22 federal court, the plaintiff bears the burden of establishing that the court has the requisite subject
 23 matter jurisdiction to grant the relief requested. *See Kokkonen v. Guardian Life Ins. Co. of Am.*,

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 26 ² Cisco initially sued four defendants: Dynamic Mesh Networks, Inc. d/b/a MeshDynamics, Mesh
 27 Dynamics, Inc., Francis daCosta, and Sriram Dayanandan. On August 21, 2025, Cisco voluntarily
 dismissed its claims against Defendants Mesh Dynamics, Inc. and Sriram Dayanandan with
 prejudice. ECF Nos. 37, 38.

28 ³ Because the Court did not consider Dynamic Mesh’s new evidence in ruling on the motion to
 dismiss, Cisco’s objections are MOOT.

1 511 U.S. 375, 377 (1994). A complaint will be dismissed if, looking at the complaint in its
2 totality, it appears to lack federal jurisdiction either “facially” or “factually.” *Thornhill Publ’g*
3 *Co., Inc. v. Gen. Tel. & Elecs. Corp.*, 594 F.2d 730, 733 (9th Cir. 1979); *Safe Air for Everyone v.*
4 *Meyer*, 373 F.3d 1035, 1039 (9th Cir. 2004). When a complaint is challenged for lack of subject
5 matter jurisdiction on its face, all material allegations in the complaint will be taken as true and
6 construed in the light most favorable to the plaintiff. *Pride v. Correa*, 719 F.3d 1130, 1133 (9th
7 Cir. 2013). Thus, a district court resolves a facial attack as it would a motion to dismiss under
8 Rule 12(b)(6). *Leite v. Crane Co.*, 749 F.3d 1117, 1121 (9th Cir. 2014) (citing *Pride*, 719 F.3d at
9 1133).

10 In resolving a factual attack on jurisdiction, the Court may review evidence beyond the
11 complaint without converting the motion to dismiss into a motion for summary judgment. *Id.*
12 (citing *Savage v. Glendale Union High Sch., Dist. No. 205, Maricopa Cty.*, 343 F.3d 1036, 1039
13 n.2 (9th Cir. 2003)). While the Court may consider evidence outside of the pleadings to resolve a
14 “factual” Rule 12(b)(1) motion, “a [j]urisdictional finding of genuinely disputed facts is
15 inappropriate when the jurisdictional issue and substantive issues are so intertwined that the
16 question of jurisdiction is dependent on the resolution of factual issues going to the merits of an
17 action.” *Safe Air for Everyone*, 373 F.3d at 1039 n.3 (citing *Sun Valley Gasoline, Inc. v. Ernst*
18 *Enters., Inc.*, 711 F.2d 138, 140 (9th Cir. 1983)) (internal quotation marks omitted).

19 **B. Rule 12(b)(6)**

20 Under Federal Rule of Civil Procedure 12(b)(6), a district court must dismiss a complaint
21 if it fails to state a claim upon which relief can be granted. To survive a Rule 12(b)(6) motion to
22 dismiss, the plaintiff must allege “enough facts to state a claim to relief that is plausible on its
23 face.” *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). This “facial plausibility” standard
24 requires the plaintiff to allege facts that add up to “more than a sheer possibility that a defendant
25 has acted unlawfully.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009). While courts do not require
26 “heightened fact pleading of specifics,” a plaintiff must allege facts sufficient to “raise a right to
27 relief above the speculative level.” *Twombly*, 550 U.S. at 555, 570.

28 In deciding whether the plaintiff has stated a claim upon which relief can be granted, the

1 court must assume that the plaintiff's allegations are true and must draw all reasonable inferences
2 in the plaintiff's favor. *See Usher v. City of Los Angeles*, 828 F.2d 556, 561 (9th Cir. 1987).
3 However, the court is not required to accept as true "allegations that are merely conclusory,
4 unwarranted deductions of fact, or unreasonable inferences." *In re Gilead Scis. Sec. Litig.*, 536
5 F.3d 1049, 1055 (9th Cir. 2008).

6 **III. DISCUSSION**

7 Defendants contend that Cisco lacks standing because neither Dynamic Mesh nor Francis
8 daCosta had ownership interests in any of the patents-in-suit when Cisco filed this lawsuit on July
9 31, 2025. ECF No. 39 at 10-13. Defendants maintain that, because of the March 2022
10 Assignment transferring all patent rights to Chirp Networks, Dynamic Mesh did not own the
11 asserted patents until August 11, 2025, when new assignments were executed. *Id.* The lack of
12 standing to bring suit (in the Eastern District of Texas or anywhere else) is what caused Dynamic
13 Mesh to dismiss the Texas actions in the first place.

14 Cisco makes three arguments in response. ECF No. 47 at 18-24. First, Cisco contends that
15 Defendant daCosta has always owned the '537 patent. *Id.* at 18. Because the '537 patent is no
16 longer at issue in this case, this argument is moot. *See* ECF No. 64 (stipulating to dismissal with
17 prejudice of Cisco's claims in the action seeking declaratory judgment of non-infringement of the
18 '537 patent). Second, Cisco argues that Dynamic Mesh was the proper assignee of the remaining
19 patents-in-suit when its complaint was filed because the parties to the March 2022 Assignment
20 never intended to assign all the Dynamic Mesh patents to Chirp Networks and did so
21 inadvertently. ECF No. 47 at 20. In support of this contention, Cisco argues that the March 2022
22 Assignment should be interpreted to give effect to this mutual intent. *Id.* Third and finally, Cisco
23 argues that because Dynamic Mesh and Chirp Networks – both run by Defendant daCosta – failed
24 to respect the corporate form, the Court should find that Dynamic Mesh owned the patents-in-suit
25 at the time of filing as the alter ego of Chirp Networks. *Id.* at 22. None of these arguments
26 withstand scrutiny. The Court agrees with Defendants that Cisco lacked standing to file suit at the
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1 end of July 2025 and this case must be dismissed.⁴

2 The doctrine of “standing is an essential and unchanging part of the case-or-controversy
3 requirement of Article III.” *Lujan v. Defs. of Wildlife*, 504 U.S. 555, 560 (1992). Standing is a
4 constitutional prerequisite to federal court subject matter jurisdiction. *Id.* Standing applies to
5 actions requesting declaratory relief. *MedImmune, Inc. v. Genentech, Inc.*, 549 U.S. 118, 126-128
6 (2007).

7 In patent cases, an actual controversy exists if, “whether the facts alleged, under all the
8 circumstances, show that there is a substantial controversy, between parties having adverse legal
9 interests, of sufficient immediacy and reality to warrant the issuance of a declaratory judgment.”
10 *Id.* at 127. “In declaratory relief actions for noninfringement and invalidity of a patent, the
11 plaintiff lacks standing to sue if the defendant does not have a legal right to the patents in suit that
12 would allow the defendant to sue the plaintiff for patent infringement.” *Trend Micro Inc. v. RPost*
13 *Holdings, Inc.*, No. 13-CV-05227-WHO, 2014 WL 1365491, at *7 (N.D. Cal. Apr. 7, 2014)
14 (citing *Fina Rsch., S.A. v. Baroid Ltd.*, 141 F.3d 1479 (Fed. Cir. 1998)).

15 A plaintiff must have standing on the day they file suit. *Keene Corp. v. United States*, 508
16 U.S. 200, 207 (1993). If a plaintiff lacks Article III standing when the was filed, then “the suit
17 must be dismissed, and the jurisdictional defect cannot be cured after the inception of the lawsuit.”
18 *Abraxis Bioscience, Inc. v. Navinta LLC*, 625 F.3d 1359, 1364 (Fed. Cir. 2010) (cleaned up).

19 Here, on July 31, 2025, neither Dynamic Mesh nor Francis daCosta had a legal right to the
20 patents in suit. Dynamic Mesh previously held title to the patents in suit but assigned all its patent
21 rights to Chirp Networks on March 1, 2022. ECF No. 40-6 at 3-4. Dynamic Mesh only regained
22 its rights to the patents in suit after this lawsuit was filed, on August 11, 2025, when Chirp
23 Networks executed a new patent assignment. ECF No. 42-8.

24 In an effort to maintain this lawsuit in the forum of its choosing, Cisco, a third party with
25 zero connections to the March 2022 Assignment, asks the Court to reform the plain language of
26 the agreement to effectuate an intent that Cisco insists existed at the time of the assignment.

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28 ⁴ Because the Court reviewed evidence beyond the complaint in resolving the motion to dismiss,
the Court construes Defendants’ challenge to standing as a factual attack on jurisdiction.

1 However, the fact that Dynamic Mesh never intended to assign all its patent rights to Chirp
2 Networks is immaterial. The record demonstrates that Dynamic Mesh assigned away its patent
3 rights on March 1, 2022, and did not have a present legal right to the patents in suit on July 31,
4 2025, the day this lawsuit was filed. *C.f. Nolen v. Lufkin Indus., Inc.*, 469 F. App'x 857, 860 (Fed.
5 Cir. 2012) (“a claim for patent infringement does not arise under the patent laws when it requires
6 judicial action to vest title in the party alleging infringement”); *see also Trend Micro Inc.*, 2014
7 WL 1365491, at *7 (same). Thus, Cisco failed to meet the brightline standard for standing.

8 The authorities cited by Cisco—primarily courts resolving scrivener’s errors—do not
9 dictate otherwise. First, Cisco cites *Shower Enclosures Am., Inc. v. BBC Distribution Corp.*, No.
10 3:15CV627, 2016 WL 3031081 (N.D. Ind. May 27, 2016), for the premise that errors in
11 assignments do not negate standing in light of the assigning parties’ clear intent. ECF No. 47 at
12 21. However, in *Shower Enclosures Am., Inc.*, the inventor, long before plaintiff Shower
13 Enclosures America, Inc. sued the defendant for patent infringement, mistakenly assigned the
14 asserted patent to “Shower Enclosures, Inc.” instead of “Shower Enclosures America, Inc.” 2016
15 WL 3031081, at *1. The defendant didn’t take issue with the assignment or challenge its validity.
16 *Id.* Rather, the defendant challenged “whether Shower Enclosures America, Inc. can base a patent
17 infringement matter on a patent assigned to Shower Enclosures, Inc.” *Id.* (emphasis in original).
18 Plaintiff submitted a declaration from one of the original owners and inventors stating that “the
19 omission of ‘America’ from the assignment was an inadvertent error, because he and an attorney
20 for his employer commonly used the abbreviation ‘Shower Enclosures, Inc.’ in the past.” *Id.*

21 Here, in contrast, Dynamic Mesh does not assert that the March 2022 Assignment was
22 executed in error or maintain that it had standing on July 31, 2025, when this lawsuit was filed.
23 Instead, once Dynamic Mesh acknowledged the March 2022 Assignment, it dismissed its Texas
24 lawsuits, and worked expediently to correct the asserted patents’ ownership. This is not the same
25 as the plaintiff in *Shower Enclosures Am., Inc.*, who argued for an interpretation conferring
26 standing in light of an inadvertent error. *See* 2016 WL 3031081.

27 The other cases cited by Cisco are similarly distinguishable. *See Pucs, Inc. v. Hulu, Inc.*,
28 No. 221CV02302RGKKES, 2021 WL 4780576 (C.D. Cal. Aug. 18, 2021) (finding the plaintiff

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1 did not lack standing when it filed a patent infringement lawsuit under its colloquial business
2 name rather than its official entity name); *Schwendimann v. Arkwright Advanced Coating, Inc.*,
3 959 F.3d 1065 (Fed. Cir. 2020) (reforming an assignment to add a single patent); *Speedplay, Inc.*
4 *v. Bebop, Inc.*, 211 F.3d 1245 (Fed. Cir. 2000) (reforming an assignment to correct a scrivener’s
5 error identifying the incorrect patent). Notably, all of Cisco’s authorities involve a patent holder
6 trying to reform or reconstrue their *own* agreements to demonstrate standing. Cisco, in contrast,
7 has never owned any of the disputed patents, nor has it contracted with either Dynamic Mesh or
8 Chirp Networks to attain ownership. Because Cisco is neither party nor signatory to the contracts
9 currently at issue, Cisco’s interpretation of those contracts is without value.

10 Nor does the Court find on the record before it that Defendant Francis daCosta disregarded
11 the corporate form such that Dynamic Mesh and Chirp Networks must be treated as alter ego
12 corporations. Legal, not equitable, title is required to confer standing. *Arachnid, Inc. v. Merit*
13 *Indus., Inc.*, 939 F.2d 1574, 1579 (Fed. Cir. 1991) (“The issue in determining standing is whether
14 the claimant possesses legal title ownership of the patent.”) (citing 5 D. Chisum, *Patents*
15 § 21.03[2][f] (1991)). Additionally, “[c]ommon corporate structure does not overcome the
16 requirement that even between a parent and a subsidiary, an appropriate written assignment is
17 necessary to transfer legal title from one to the other.” *Abraxis Bioscience, Inc.*, 625 F.3d at 1366.

18 Cisco lacked standing to sue Defendants at the time it filed the complaint for a declaratory
19 judgment of noninfringement. Because Cisco’s complaint must be dismissed, the Court need not
20 address Defendants’ arguments relating to the failure to state a claim.

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IV. CONCLUSION

For the forgoing reasons, Defendants’ motion to dismiss for lack of subject matter jurisdiction is GRANTED, and Cisco’s claims are DISMISSED without prejudice.

Additionally, in light of this Order, the March 31, 2026 case management conference is VACATED.

IT IS SO ORDERED.

Dated: January 8, 2026



Noël Wise
United States District Judge

United States District Court
Northern District of California