

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Netflix, Inc. v. Broadcom Inc., et al.

Netflix v. Broadcom · No. 24-cv-09324-PCP · Decided August 8, 2025

SUMMARY

The United States District Court for the Northern District of California grants Broadcom Inc. and VMware LLC's motion to dismiss Netflix, Inc.'s first amended patent-infringement complaint, granting leave to amend in part. The court concludes that the asserted claims of Netflix's three Cherkasova patents are inadequately pleaded beyond claim 1 and that claim 1 of each patent is directed to patent-ineligible subject matter under 35 U.S.C. § 101. The opinion addresses patent eligibility under the Alice framework and the pleading standards for patent infringement.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	P. Casey Pitts
JURISDICTION	United States District Court for the Northern District of California
DECIDED	August 8, 2025
DOCKET	24-cv-09324-PCP
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss Netflix's first amended complaint alleging infringement of five software patents, including on the ground that the asserted claims were patent-ineligible under 35 U.S.C. § 101.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts factual allegations as true and construes the pleadings in the nonmovant's favor, but conclusory allegations and threadbare recitals do not suffice. Patent eligibility may be resolved at the pleading stage only when no plausible factual disputes remain after reasonable inferences are drawn for the nonmovant.
PRECEDENTIAL VALUE	unpublished district court decision; persuasive authority only

TOPICS

- patent eligibility
- patent infringement
- motions to dismiss
- pleadings
- civil procedure

PRACTICE AREAS

patent law

patent eligibility

patent infringement

civil procedure

motions to dismiss

QUESTIONS PRESENTED

1. Whether Netflix plausibly pleaded infringement of claims other than claim 1 of the '424, '707, and '891 patents.
2. Whether claim 1 of each of the '424, '707, and '891 patents is directed to a patent-ineligible abstract idea and lacks an inventive concept under the Alice framework.
3. Whether claim 16 of the '893 patent is directed to a patent-ineligible abstract idea and lacks an inventive concept under the Alice framework.
4. Whether claim 10 of the '122 patent is directed to a patent-ineligible abstract idea and lacks an inventive concept under the Alice framework.

HOLDINGS

1. Netflix did not plausibly plead infringement of the other asserted claims because the complaint merely recited their claim elements and offered conclusory allegations without factual allegations explaining how the accused products met the materially different limitations.
2. Claim 1 of each Cherkasova patent is directed to the abstract idea of collecting and analyzing information, and therefore fails Alice step one.
3. Claim 1 of each Cherkasova patent does not contain an inventive concept and fails Alice step two.
4. Claim 16 of the '893 patent is directed to the abstract idea of allocating workload across a plurality of resources and lacks an inventive concept.
5. Claim 10 of the '122 patent is directed to the abstract idea of providing a graphical user interface for remote control and mapping and lacks an inventive concept.

KEY QUOTATIONS

“Such an invention is directed not “to an improvement to computer functionality,” Enfish, 822 F.3d at 1335, but to improving the accuracy of certain information relating to the computer’s operation.” (Analysis I.B)

“the claims for which Netflix has provided factual allegations supporting its claims of infringement—claim 1 of the '424, '707, and '891 patents; claim 16 of the '893 patent; and claim 10 of the '122 patent—are invalid because they are directed to patent-ineligible concepts under 35 U.S.C. § 101.” (Conclusion)

“Dismissal is with prejudice and without leave to amend as to defendants’ alleged infringements of these claims of the asserted patents. Dismissal is with leave to amend as to any other allegedly infringed claims of the asserted patents.” (Conclusion)

FACTUAL BACKGROUND

Netflix alleged that Broadcom and its subsidiary VMWare infringed five software patents involving virtual-machine CPU-usage attribution, virtual-machine load balancing, and remote control of virtual machines. The

claims analyzed by the court concerned collecting and analyzing CPU-usage information, allocating virtual-machine workloads across physical resources, and remotely controlling virtual machines through graphical user interfaces. Netflix relied on alleged technical improvements described in the patent specifications, but the court found that the claims themselves did not recite those specific improvements or mechanisms.

PROCEDURAL HISTORY

Netflix filed the action on December 23, 2024 and later filed a first amended complaint alleging infringement of five patents. Defendants Broadcom Inc. and VMWare LLC moved to dismiss. The court granted the motion, dismissing with prejudice and without leave to amend the specifically analyzed claims, while granting leave to amend as to other asserted claims and staying discovery.

DISPOSITION

other

CASES CITED

- Rowe v. Educ. Credit Mgmt. Corp., 559 F.3d 1028, 1029-30 (9th Cir. 2009)
- Ashcroft v. Iqbal, 556 U.S. 662, 678-79 (2009)
- Bell Atlantic Corp. v. Twombly, 550 U.S. 544, 555 (2007)
- Cooperative Entertainment, Inc. v. Kollektive Technology, Inc., 50 F.4th 127, 130 (Fed. Cir. 2022)
- Aatrix Software, Inc. v. Green Shades Software, Inc., 882 F.3d 1121, 1125, 1128 (Fed. Cir. 2018)
- Alice Corp. Pty. Ltd. v. CLS Bank International, 573 U.S. 208, 216-18, 223 (2014)
- CardioNet, LLC v. InfoBionic, Inc., 955 F.3d 1358, 1369-70, 1374 (Fed. Cir. 2020)
- ChargePoint, Inc. v. SemaConnect, Inc., 920 F.3d 759, 766, 769-70 (Fed. Cir. 2019)
- Data Engine Technologies LLC v. Google LLC, 906 F.3d 999, 1007-08 (Fed. Cir. 2018)
- Core Wireless Licensing S.A.R.L. v. LG Electronics, Inc., 880 F.3d 1356, 1361-63 (Fed. Cir. 2018)
- Skillz Platform Inc. v. Aviagames Inc., No. 21-CV-02436-BLF, 2022 WL 783338, at *6-7 (N.D. Cal. Mar. 14, 2022)
- BSG Tech LLC v. BuySeasons, Inc., B.S.G. Tech LLC v. Buyseasons, Inc., 899 F.3d 1281, 1290-91 (Fed. Cir. 2018)
- Content Extraction & Transmission LLC v. Wells Fargo Bank, National Ass'n, 776 F.3d 1343, 1347-48 (Fed. Cir. 2015)
- Uniloc USA, Inc. v. LG Electronics USA, Inc., 957 F.3d 1303, 1306-09 (Fed. Cir. 2020)
- Electric Power Group, LLC v. Alstom S.A., 830 F.3d 1350, 1353-55 (Fed. Cir. 2016)
- In re Board of Trustees of Leland Stanford Junior University, 989 F.3d 1367, 1373 (Fed. Cir. 2021)
- Synopsys, Inc. v. Mentor Graphics Corp., 839 F.3d 1138, 1151 (Fed. Cir. 2016)
- SAP America, Inc. v. InvestPic, LLC, 898 F.3d 1161, 1170 (Fed. Cir. 2018)
- In re Killian, 45 F.4th 1373, 1380 (Fed. Cir. 2022)
- Intellectual Ventures I LLC v. Erie Indemnity Co., 850 F.3d 1315, 1331-32 (Fed. Cir. 2017)

- Intellectual Ventures I LLC v. Symantec Corp., 838 F.3d 1307, 1322 (Fed. Cir. 2016)
- Ericsson Inc. v. TCL Communication Technology Holdings Ltd., 955 F.3d 1317, 1327 (Fed. Cir. 2020)
- Appistry, Inc. v. Amazon.com, Inc., No. C15-311 MJP, 2015 WL 4210890, at *2 (W.D. Wash. July 9, 2015), aff'd sub nom. Appistry, LLC v. Amazon.com, Inc., 676 F. App'x 1007 (Fed. Cir. 2017)
- Coho Licensing LLC v. Glam Media, Inc., No. C 14-01576 JSW, 2017 WL 6210882, at *6 (N.D. Cal. Jan. 23, 2017), aff'd sub nom. Coho Licensing LLC v. Oath Inc., 710 F. App'x 892 (Fed. Cir. 2018)
- Cirba Inc. v. VMware, Inc., 677 F. Supp. 3d 1010, 1025 (N.D. Cal. 2023)
- CosmoKey Solutions GmbH & Co. KG v. Duo Security LLC, 15 F.4th 1091, 1099 (Fed. Cir. 2021)
- Two-Way Media Ltd. v. Comcast Cable Communications, LLC, 874 F.3d 1329, 1338 (Fed. Cir. 2017)
- Accenture Global Services GmbH v. Guidewire Software, Inc., 728 F.3d 1336, 1345 (Fed. Cir. 2013)
- Broadband iTV, Inc. v. Amazon.com, Inc., No. 6:20-CV-00921-ADA, 2022 WL 4703425, at *13 (W.D. Tex. Sept. 30, 2022), aff'd, 113 F.4th 1359 (Fed. Cir. 2024)
- International Business Machines Corp. v. Zillow Group, Inc., 50 F.4th 1371, 1381 (Fed. Cir. 2022)
- Dropbox, Inc. v. Synchronoss Technologies, Inc., 815 F. App'x 529, 534 (Fed. Cir. 2020)
- Heidary v. Amazon.com, Inc., No. 2024-1580, 2024 WL 4489918, at *3 (Fed. Cir. Oct. 15, 2024)
- AlexSam, Inc. v. Aetna, Inc., 119 F.4th 27, 35, 42 (Fed. Cir. 2024)
- Askan v. FARO Technologies, Inc., No. 2024-2258, 2025 WL 1363303, at *2 (Fed. Cir. May 12, 2025)
- In re Bill of Lading Transmission & Processing System Patent Litigation, 681 F.3d 1323, 1335 (Fed. Cir. 2012)
- Nalco Co. v. Chem-Mod, LLC, 883 F.3d 1337, 1350 (Fed. Cir. 2018)
- Bot M8 LLC v. Sony Corp. of America, 4 F.4th 1342, 1353-55 (Fed. Cir. 2021)