

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

Roche Molecular Systems, Inc. v. Foresight Diagnostics Inc.

Roche Molecular Systems · No. 24-cv-03972-EKL · Decided July 16, 2025

SUMMARY

The United States District Court for the Northern District of California ruled on Stanford’s motion to dismiss Roche’s first amended complaint alleging trade secret misappropriation and related claims. The court dismissed the DTSA and CUTSA claims against Stanford without prejudice and granted leave to amend, while denying dismissal of Roche’s declaratory judgment claim concerning ownership of disputed patent applications. The court also noted that Count 8, alleging unfair competition, would be withdrawn by agreement.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Eumi K. Lee
JURISDICTION	United States District Court for the Northern District of California
DECIDED	July 16, 2025
DOCKET	24-cv-03972-EKL
DISPOSITION	other
PROCEDURAL POSTURE	Stanford moved under Federal Rule of Civil Procedure 12(b)(6) to dismiss Roche's first amended complaint. The court granted the motion without prejudice as to the trade-secret misappropriation claims and denied it as to the declaratory-judgment claim.
STANDARD OF REVIEW	On a Rule 12(b)(6) motion, the court accepts well-pleaded factual allegations as true and construes the pleadings in the light most favorable to the nonmoving party, but need not accept legal conclusions as factual allegations. The complaint must allege enough facts to state a facially plausible claim for relief.
PRECEDENTIAL VALUE	Unknown; federal district court order with no reporter citation or precedential designation in the provided text.

PARTIES

Roche Molecular Systems, Inc., Roche Sequencing Solutions, Inc. v. Board of Trustees of the Leland Stanford Junior University, Foresight Diagnostics Inc., Maximilian Diehn, Arash A. Alizadeh, David Kurtz

TOPICS

misappropriation of trade secrets

trade secrets

motions to dismiss

declaratory judgment

civil procedure

PRACTICE AREAS

trade secrets

intellectual property

civil procedure

commercial litigation

declaratory judgment

QUESTIONS PRESENTED

1. Whether Roche plausibly alleged that Stanford knowingly misappropriated Roche's trade secrets under the Defend Trade Secrets Act and the California Uniform Trade Secrets Act.
2. Whether Roche's allegations stated a justiciable declaratory-judgment claim concerning ownership of the disputed patent applications.
3. Whether the court could consider Stanford's policies and related documents on a motion to dismiss through incorporation by reference.

HOLDINGS

1. Roche failed to state plausible DTSA and CUTSA misappropriation claims against Stanford because its allegations that Stanford knew or had reason to know that the disputed technology involved Roche trade secrets were general and conclusory.
2. Roche plausibly stated a declaratory-judgment claim because it alleged an actual controversy with Stanford and Foresight regarding ownership of the disputed patent applications.
3. The court could not consider Stanford's policies on the motion to dismiss because the amended complaint did not refer extensively to them or make them the basis of Roche's claims.

KEY QUOTATIONS

"To avoid dismissal, the plaintiff must allege "enough facts to state a claim to relief that is plausible on its face."" (at 2)

"The "mere mention" of a document's existence is insufficient to incorporate its contents by reference." (at 6)

FACTUAL BACKGROUND

Roche alleged that three former consultants, Stanford oncologists Maximilian Diehn, Arash A. Alizadeh, and David Kurtz, founded Foresight while working for Roche and misappropriated Roche trade secrets concerning cancer detection and monitoring methods. Roche alleged that the consultants developed competing technology with Stanford and that Stanford licensed the technology to Foresight. Roche also alleged that fifteen disputed patent applications filed by Stanford disclosed or claimed inventions based on Roche-owned technology and sought a declaration that Roche owned, or at least co-owned, those applications.

PROCEDURAL HISTORY

Roche sued three former consultants and Foresight, the company they founded, alleging misappropriation of Roche's trade secrets, and asserted related claims against Stanford. Roche filed a first amended complaint. Stanford moved to dismiss that pleading. The court granted leave to amend the trade-secret claims, denied dismissal of the declaratory-judgment claim, and directed Roche to file an amended complaint within fourteen days.

DISPOSITION

other

CASES CITED

- Bell Atl. Corp. v. Twombly, 550 U.S. 544, 556, 570 (2007)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- Manzarek v. St. Paul Fire & Marine Ins. Co., 519 F.3d 1025, 1031 (9th Cir. 2008)
- Fayer v. Vaughn, 649 F.3d 1061, 1064 (9th Cir. 2011) (per curiam)
- W. Mining Council v. Watt, 643 F.2d 618, 624 (9th Cir. 1981)
- Lopez v. Smith, 203 F.3d 1122, 1127 (9th Cir. 2000) (en banc)
- Doe v. United States, 58 F.3d 494, 497 (9th Cir. 1995)
- InteliClear, LLC v. ETC Glob. Holdings, Inc., 978 F.3d 653, 657-58 (9th Cir. 2020)
- Carr v. AutoNation Inc., No. 2:17-cv-01539, 2018 WL 288018, at *3 (E.D. Cal. Jan. 4, 2018)
- Beluca Ventures LLC v. Einride Aktiebolag, 660 F. Supp. 3d 898, 904-05, 911 & n.8 (N.D. Cal. 2023)
- ESG Cap. Partners, LP v. Stratos, 929 F.3d 1023, 1037 n.3 (9th Cir. 2019)
- Doe v. Epic Games, Inc., 435 F. Supp. 3d 1024, 1044 (N.D. Cal. 2020)
- Shell Gulf of Mexico, Inc. v. Ctr. for Biological Diversity, Inc., 771 F.3d 632, 635 (9th Cir. 2014)
- Khoja v. Orexigen Therapeutics, Inc., 899 F.3d 988, 1002 (9th Cir. 2018)
- United States v. Ritchie, 342 F.3d 903, 907 (9th Cir. 2003)
- Vineyard Investigations v. E. & J. Gallo Winery, 510 F. Supp. 3d 926, 942 n.4 (E.D. Cal. 2021)