

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Sanas.AI Inc. v. Krisp Technologies, Inc.

Sanas.AI · No. 25-cv-05666-RS · Decided December 1, 2025

SUMMARY

The order resolves cross-motions to dismiss in a dispute between Sanas.AI Inc. and Krisp Technologies, Inc., competing developers of voice communication software. The court denied Krisp’s motion to dismiss Sanas’s trade-secret misappropriation, co-inventorship and co-ownership, and false-advertising claims. The court granted in part and denied in part Sanas’s motion to dismiss Krisp’s counterclaims, dismissing the California Unfair Practices Act claim based on alleged below-cost sales under California Business and Professions Code section 17044 while allowing other state-law counterclaims to proceed.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Richard Seeborg
JURISDICTION	U.S. District Court for the Northern District of California
DECIDED	December 1, 2025
DOCKET	25-cv-05666-RS
DISPOSITION	other
PROCEDURAL POSTURE	The parties filed cross-motions under Federal Rule of Civil Procedure 12(b)(6). Krisp moved to dismiss Sanas's trade-secret, co-inventorship and co-ownership, and false-advertising claims. Sanas moved to dismiss Krisp's California state-law counterclaims.
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. A complaint must contain sufficient factual matter to state a claim that is plausible on its face. Dismissal with prejudice is appropriate only when amendment would be futile.
PRECEDENTIAL VALUE	Unknown; district court order with no reporter citation

TOPICS

motions to dismiss

trade secrets

misappropriation of trade secrets

patent law

commercial litigation

PRACTICE AREAS

civil procedure

intellectual property

trade secrets

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false advertising

QUESTIONS PRESENTED

1. Whether Sanas adequately pleaded trade-secret misappropriation under the Defend Trade Secrets Act and California's Uniform Trade Secrets Act.
2. Whether Sanas adequately pleaded co-inventorship and co-ownership claims based on alleged contributions to Krisp's patents.
3. Whether Sanas adequately pleaded false-advertising claims under the Lanham Act and California's False Advertising Law.
4. Whether Krisp adequately pleaded a claim under California Business and Professions Code section 17044 based on Sanas's alleged free distribution of noise-cancellation software.
5. Whether Krisp adequately pleaded a claim under California Business and Professions Code section 17043 based on the alleged free distribution of the software for the purpose of injuring competitors or destroying competition.
6. Whether Krisp's adequately pleaded section 17043 claim supplied an unlawful predicate for its California Unfair Competition Law counterclaim.

HOLDINGS

1. Sanas adequately pleaded trade-secret claims under both the DTSA and CUTSA by alleging protectable information, reasonable efforts to maintain secrecy, misappropriation, and resulting harm.
2. Sanas adequately pleaded co-inventorship and related co-ownership claims by alleging a more-than-insignificant contribution to the conception of at least one patent claim and joint conduct with the named inventors.
3. Sanas adequately pleaded false-advertising claims under section 43(a) of the Lanham Act and California's False Advertising Law.
4. Krisp failed to state a section 17044 claim because that provision does not apply when the defendant provides a service free of charge and no sale is involved.
5. Krisp adequately pleaded a section 17043 claim based on allegations that Sanas gave away its product for free with the purpose of injuring Krisp or destroying competition.
6. Krisp's adequately pleaded section 17043 claim supplied an unlawful predicate for its UCL counterclaim, so dismissal of the UCL counterclaim was unwarranted.

KEY QUOTATIONS

“There are no bright line rules as to what steps a party must take to preserve its trade secrets” (Order at 6)

“Section 17043, on the other hand, expressly contemplates giving products away for free for anticompetitive reasons.” (Order at 13)

FACTUAL BACKGROUND

Sanas and Krisp are competitors in real-time voice communication software, including accent-conversion and noise-cancellation technologies. The parties discussed collaboration under a nondisclosure agreement, and Sanas allegedly shared technical information with Krisp concerning its accent-conversion technology. Krisp later released accent-conversion products and obtained patents that allegedly reflected information supplied by Sanas, while also publishing comparative statements about Sanas's products. Sanas separately alleged that Krisp was harmed when Sanas gave away noise-cancellation software for free while restricting installation by customers using Krisp's application.

PROCEDURAL HISTORY

Sanas filed suit against Krisp in July 2025 and filed a first amended complaint in September 2025 asserting patent infringement, trade-secret misappropriation, false advertising, and unfair-competition claims. Krisp asserted counterclaims for patent infringement and violations of California's Unfair Practices Act and Unfair Competition Law. The court denied Krisp's motion to dismiss and granted Sanas's motion in part, dismissing Krisp's California Business and Professions Code section 17044 counterclaim while denying dismissal of the section 17043 and UCL counterclaims.

DISPOSITION

other

CASES CITED

- Bell Atlantic v. Twombly, 550 U.S. 544, 570 (2007)
- Conley v. Gibson, 355 U.S. 41, 47 (1957)
- Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009)
- UMG Recordings, Inc. v. Shelter Capital Partners LLC, 718 F.3d 1006, 1014 (9th Cir. 2013)
- Knievel v. ESPN, 393 F.3d 1068, 1072 (9th Cir. 2005)
- Lucas v. Department of Corrections, 66 F.3d 245, 248 (9th Cir. 1995)
- Dumas v. Kipp, 90 F.3d 386, 393 (9th Cir. 1996)
- Zucco Partners LLC v. Digimarc Corp., 552 F.3d 981, 1007 (9th Cir. 2009)
- In re Vantive Corp. Securities Litigation, 283 F.3d 1079, 1097-98 (9th Cir. 2002)
- Autodesk, Inc. v. ZWCAD Software Co., Ltd., No. 14-1409, 2015 WL 2265479, at *5 (N.D. Cal. May 13, 2015)
- Intelliclear, LLC v. ETC Global Holdings, Inc., 978 F.3d 653, 657-58 & n.1 (9th Cir. 2020)
- Gatan, Inc. v. Nion Company, No. 15-1862, 2017 WL 1196819, at *6 (N.D. Cal. Mar. 31, 2017)
- Kewanee Oil Co. v. Bicron Corp., 416 U.S. 470, 476 (1974)

- Medtronic MiniMed, Inc. v. Nova Biomed. Corp., 2009 WL 10671420, at *5 (C.D. Cal. May 22, 2009)
- Vesta Corp. v. Amdocs Management, Ltd., 2018 WL 4354301, at *16 (D. Or. Sept. 12, 2018)
- CelLink Corp. v. Manaflex LLC, No. 23-CV-04231-HSG, 2025 WL 1993517, at *5 (N.D. Cal. July 17, 2025)
- In re Tobacco II Cases, 46 Cal. 4th 298, 312 (2009)
- Shaeffer v. Califia Farms, LLC, 44 Cal. App. 5th 1125, 1136 (2020)
- Skydive Arizona, Inc. v. Quattrocchi, 673 F.3d 1105, 1110 (9th Cir. 2012)
- Corsair Gaming, Inc. v. Choice Electronics Inc., No. 5:25-CV-00045-BLF, 2025 WL 2822691, at *5 (N.D. Cal. Oct. 3, 2025)
- TrafficSchool.com, Inc. v. Edriver Inc., 653 F.3d 820, 826 (9th Cir. 2011)
- Cel-Tech Communications, Inc. v. Los Angeles Cellular Telephone Co., 20 Cal. 4th 163, 169 (1999)
- Co-opportunities, Inc. v. National Broadcasting Co., 510 F. Supp. 43, 49 (N.D. Cal. 1981)
- Fisherman's Wharf Bay Cruise Corp. v. Superior Court of San Francisco, 114 Cal. App. 4th 309, 328 (2003)
- A.B. by & Through Turner v. Google LLC, 737 F. Supp. 3d 869, 880-81 (N.D. Cal. 2024)

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