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Attorneys for Defendant
FLIR SYSTEMS, INC.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ROYAL HOLDINGS TECHNOLOGIES CORPORATION, D/B/A X.LABS, a Delaware corporation, Plaintiff, v. FLIR SYSTEMS, INC., a Delaware corporation, and DOES 1-50, Defendant.	Case No. 2:20-cv-09015-SK **DEFENDANT'S NOTICE OF MOTION AND RULE 12(b)(6) MOTION TO DISMISS COMPLAINT** Date: November 4, 2020 Time: 10:00 a.m. Courtroom: 540 Complaint Filed: August 28, 2020

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on November 4, 2020, at 10:00 a.m., or as soon thereafter as the matter may be heard, in Courtroom 540 of the above-entitled court, located at 255 E. Temple Street, 5th Floor, Los Angeles, CA 90012, before the Honorable Steve Kim, Defendant FLIR Systems, Inc. ("FLIR") will and hereby does move the Court, under Federal Rule of Civil Procedure 12(b)(6), for an order dismissing, without leave to amend, the Complaint of Plaintiff Royal Holdings Technologies Corporation, d/b/a X.Labs ("Plaintiff").

This Motion is made following the conference of counsel pursuant to L.R. 7-3 which took place on September 29, 2020. The parties discussed thoroughly the substance of FLIR's Motion but did not reach a resolution.

Thus, FLIR brings this Motion on the following grounds:

- Plaintiff's claim for breach of the implied covenant of good faith and fair dealing (Claim 1) fails because Plaintiff does not, and cannot, sufficiently plead facts to support this claim. This claim is precluded by the express terms of the parties' contracts.
- Plaintiff's claim for fraudulent inducement (Claim 2) fails because Plaintiff does not, and cannot, sufficiently plead facts to support this claim, which also fails to meet Rule 9(b)'s heightened pleading requirements. This claim is based on allegedly truthful and nonactionable statements on which Plaintiff did not or could not justifiably rely. This claim is also a failed attempt to assert a tort claim that arises out of contract.
- Plaintiff's claim for intentional interference with contractual relations and/or prospective advantage (Claim 3) fails because Plaintiff does not, and cannot, sufficiently plead facts to support this claim. Plaintiff cannot identify any contracts or economic relations with any third party, nor establish any of the other elements of this claim.

- Plaintiff's claim for violation of the California Unfair Competition Law ("UCL"), Cal. Bus. &. Prof. Code §§ 17200 et seq., (Claim 4) fails because Plaintiff does not, and cannot, sufficiently plead facts to support this claim. Plaintiff cannot establish standing to assert this UCL claim because it is predicated on inapplicable statutes that Plaintiff does not assert were violated or caused any damages.
- Plaintiff's claims for false advertising in violation of section 43(a)(1) of the Lanham Act, 15 U.S.C. § 1125(a)(1), (Claim 5) and for violation of the California False Advertising Law ("FAL"), Cal. Bus. & Prof. Code §§ 17500 et seq., (Claim 6) fail because Plaintiff does not, and cannot, sufficiently plead facts to support these claims, which also fail to meet Rule 9(b)'s heightened pleading requirements. These claims are based on alleged statements that Plaintiff expressly concedes are truthful and nonactionable and is based on a fatally defective legal theory. Plaintiff also cannot establish standing to assert the FAL claim because Plaintiff must, but cannot, establish its own reliance on the alleged statements.
- Plaintiff's theories of liability are precluded by questions of law that amendment cannot cure, necessitating dismissal of each claim in the Complaint without leave to amend.

This Motion is based on this notice, the accompanying Memorandum of Points and Authorities, the Request for Judicial Notice, and the Declarations of Paul Kushnerov and of Teresa H. Michaud, as well as all pleadings, papers, and records on file in this action, and such other argument and documentary evidence as may be presented at or before the time of the hearing on this motion.

Dated: October 2, 2020

BAKER & McKENZIE LLP

By: */s/ Teresa H. Michaud*
Teresa H. Michaud
Attorneys for Defendant
FLIR SYSTEMS, INC.