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11
12 **UNITED STATES DISTRICT COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**
14

15 MATTHEW R. WALSH
16 Plaintiff,
17 vs.
18 ROKOKO ELECTRONICS, and
DOES 1 through 50, inclusive,
19 Defendant.
20

Case No.: 2:25-cv-05340-ODW-RAO

[Assigned to Hon. Otis D. Wright, II,
Courtroom 5D]

**DEFENDANT ROKOKO
ELECTRONICS' OPPOSITION TO
PLAINTIFF'S MOTION TO STRIKE
ROKOKO'S REMOVAL**

Date: August 18, 2025
Time: 1:30 p.m.
Place: Dept. 5D

[Concurrently Filed With Declaration of
Mikkel Overby]

State Court Action Filed: May 12, 2025
Removal Date: June 12, 2025
Trial Date: None

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1 **I. INTRODUCTION**

2 Plaintiff’s Motion to Strike Rokoko Electronics’ (“Rokoko”) removal to this
3 Court does nothing to challenge Rokoko’s state of incorporation (Delaware), nor its
4 principal place of business (Copenhagen, Denmark). Rokoko’s corporate filings and
5 *unrebutted*, sworn declarations (submitted at the time of removal and in support of this
6 Opposition) confirm Rokoko is a Delaware corporation, with its headquarters, its
7 operations, and *all* management decisions made in Denmark, not in California. (*See*
8 Declaration of Mikkel Overby (“Overby Decl.”)). Rokoko’s senior management team,
9 including its Founder/CEO and its CFO/COO, all reside and work in Denmark, as do
10 other senior executives and approximately 30 other employees. *Id.*, ¶ 4. This has
11 always been the case (accounting for growth in employees). From its initial formation
12 until present, Rokoko continuously has been (without interruption) a Delaware
13 corporation, with its principal place of business (*i.e.*, its nerve center) in Denmark. *See*
14 *Hertz Corp. v. Friend*, 559 U.S. 77, 92-93 (2010) (A defendant’s principal place of
15 business is its nerve center where high level corporate officers “direct, control, and
16 coordinate the corporation’s activities.”).

17 For his part, Plaintiff’s misstatements and fabrications do nothing to challenge or
18 change Rokoko’s citizenship or that diversity jurisdiction exists. For these reasons and
19 the reasons set forth below, Plaintiff’s Motion to Strike must be denied.

20 **II. ARGUMENT**

21 **A. Rokoko Is Not A Citizen Of California.**

22 “A corporation is a citizen of the state in which it is incorporated and the one in
23 which its principal place of business is located.” *Malamed v. First W. Cap. Mgmt. Co.*,
24 2017 U.S. Dist. LEXIS 27244, 2017 WL 1393023, at *2 (C.D. Cal. Feb. 24,
25 2017) (citing 28 U.S.C. § 1332(c)).
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1 Plaintiff does not dispute that Rokoko is incorporated in Delaware.¹ Instead,
2 Plaintiff—while completely ignoring the incontrovertible facts substantiating Rokoko’s
3 principal place of business is in Denmark (*see* ECF No. 1; *see also* ECF No. 1-4)—
4 hopes to cast doubt on Rokoko’s principal place of business by raising a number of
5 fabricated and immaterial points. The law, however, does not permit him to do so.

6 **1. Principal Place of Business Is In Copenhagen, Denmark.**

7 A corporation’s “principal place of business” is “the place where a corporation’s
8 officers direct, control, and coordinate the corporation’s activities,” which is known as
9 its “nerve center.” *Hertz*, 559 U.S. at 92-93 (cleaned up) (adopting the nerve center
10 test; “[w]e conclude that ‘principal place of business’ is ... the corporation’s ‘nerve
11 center’”); *3123 SMB LLC v. Horn*, 880 F.3d 461, 463 (9th Cir. 2018) (holding “nerve
12 center” test applies to determine a company’s “principal place of business”). In *Hertz*,
13 the U.S. Supreme Court held that “principal place of business is best read as referring
14 to the place where a corporation’s officers direct, control, and coordinate the
15 corporation’s activities.” *Hertz*, 559 U.S. at 92-93. “This ‘nerve center’ is ‘typically ...
16 found at a corporation’s headquarters.’” *3123 SMB LLC*, 880 F.3d at 463 (citing *Hertz*,
17 559 U.S. at 78); *Hines v. KFC U.S. Properties, Inc.*, No. 09CV2422 JM(POR), 2010
18 WL 596439, at *2 (S.D. Cal. Feb. 16, 2010) (“Under the ‘nerve center test,’ the court
19 considers relevant factors such as the location of the corporate/executive offices...”).
20 A corporation can only have one “nerve center,” even if it operates in multiple states.
21 *Hertz*, 559 U.S. at 79 (“A corporation’s ‘nerve center,’ usually its main headquarters, is
22 a single place.”).

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25 ¹ Plaintiff asserts that Rokoko also “has a Delaware LLC of the same name, which makes the removing
26 entity a citizen of every state.” Mot., 13:247-249. This is as factually untrue as much as it also
27 is legally incorrect. Rokoko Electronics, Inc. sold the product at issue (*see* ECF No. 1-1, p. 19-20) and—
28 as the lone defendant to this action—Rokoko Electronics, Inc.’s citizenship (which is diverse from
Plaintiff) is all that matters. Rokoko Electronics, Inc. has *never* had any interest in an entity known as
Rokoko LLC, or any Delaware LLC at any point in time. Overby Decl., ¶ 11. So in addition to
Rokoko LLC not even being a defendant to this action, the citizenship of the members of Rokoko
LLC—whomever they are and whatever their citizenship—is completely immaterial.

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1 “In evaluating a corporation’s principal place of business using the nerve center
2 test, courts consider several factors including where the corporation’s chief executive
3 officer resides and maintains his or her office, where the other officers reside, where the
4 corporation’s high level decisions are made, and where the corporation’s finance and
5 accounting functions are performed.” *Peich v. Flatiron W., Inc.*, 2016 U.S. Dist. LEXIS
6 155803, 2016 WL 6634851, at *3 (C.D. Cal. Nov. 9, 2016) (internal quotation marks
7 and citations omitted).

8 Here, there is no dispute (much less a genuine question) that Rokoko’s “nerve
9 center” is in Copenhagen, Denmark, where it is headquartered and where its corporate
10 officers direct, control, and coordinate Rokoko’s major executive activities, including
11 but not limited to, those relating to policies and procedures, human resources, legal
12 affairs, finances, budgets, and general day-to-day operations and administration of the
13 business. Overby Decl., ¶ 6; *see also Starr Indem. & Liab. Co. v. Rolls-Royce Corp.*,
14 725 F. App’x 592, 593 (9th Cir. 2018) (reversing district court’s determination that
15 nerve center was not in the location where its corporate officers were located).

16 More specifically, Rokoko’s key executive officers, including its Founder &
17 CEO and its CFO/COO, all reside in Copenhagen and conduct the majority of their
18 general operations from there.² Overby Decl., ¶ 8. These officers carry out the “overall
19 direction, control, and coordination” of Rokoko’s company-wide activities. *Hertz*, 559
20 U.S. at 96; *see also Robertson v. GMAC Mortg., LLC*, 702 F. App’x 595, 598 (9th Cir.
21 2017) (finding the “nerve center” was where the company’s “key executives, including
22 its president, were located”); *Sporn v. TransUnion Interactive, Inc.*, 2019 U.S. Dist.
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25 ² Contrary to Plaintiff’s contention otherwise (Mot., 14:267-15:279), Plaintiff has not named any
26 individual defendants in this action; the sole defendant is Rokoko. Accordingly, this Court need not
27 address the citizenship of its executives for purposes of deciding this Motion. Nevertheless, Plaintiff
28 is correct that Mikkel Overby, Jakob Balslev, and Matias Sondergaard are all residents of Copenhagen.
Overby Decl., ¶ 8. Plaintiff’s assertion that Rokoko’s CEO, Jakob Balslev, lives in California is false.
Mot., 16:295-297; 17:318-322. Mr. Balslev resided in California from September 2016 to January
2020, but he returned to Copenhagen in 2020, and has resided in Copenhagen since then. *Id.*, ¶ 9.

1 LEXIS 4965, *8 (C.D. Cal. Jan. 10, 2019) (finding a principal place of business where
2 the majority of its executives worked and lived).

3 Moreover, since as early as 2016, Rokoko’s filings with the California Secretary
4 of State have identified Copenhagen as its “principal executive office.” Overby Decl.,
5 ¶ 7, Ex. A. While Plaintiff attempts to paint Rokoko’s Copenhagen office as a 400
6 square feet “abandoned and gate-secured basement cellar” (Mot., 18:340-352), the facts
7 show anything but. In truth, approximately 30 employees are based out of Rokoko’s
8 Copenhagen office, which is approximately 86.4 square meters with a 62 square meter
9 basement. *Id.*, ¶¶ 4-5.

10 **2. Rokoko’s Nerve Center Is Not Located In California.**

11 Plaintiff’s fabrications and mis-statements are not competent evidence that
12 Rokoko’s “nerve center” is in California.

13 Plaintiff principally contends that Rokoko has an office in California, that some
14 of its executives reside in California, and that it markets in California. But except for
15 certain on-line marketing that is available on-line to anyone (including residents of
16 California), these statements range from completely false to misleading. For example,
17 none of Rokoko’s executives live in California and Rokoko also does not have an office
18 in California; instead it leases office space in a co-working space. *Id.*, ¶ 10.

19 Moreover, even with respect to Plaintiff’s argument that Rokoko’s marketing is
20 accessible in California and Rokoko has California customers, this does not make
21 Rokoko a citizen of California for purposes of diversity jurisdiction. Courts have
22 repeatedly held that corporations are not citizens of every state in which it conducts
23 business operations, or even where the corporation does the majority of its business.
24 *Martinez v. Check ‘N Go of California, Inc.*, No. 15-CV-1864 H (RBB), 2016 WL
25 6103166, at *3, n. 1 (S.D. Cal. Feb. 18, 2016) (denying Plaintiff’s remand motion which
26 argued that principal place of business was where defendant operated many locations
27 because “the Supreme Court expressly rejected the notion that a corporation’s principal
28 place of business for diversity purposes should be the place where the corporation

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1 conducts most of its business activities”); *see also Hertz*, 559 US at 96 (“[I]f the bulk
2 of a company’s business activities visible to the public take place in New Jersey, while
3 its top officers direct those activities just across the river in New York, the ‘principal
4 place of business’ is New York”); *Buckley v. BMW N. Am.*, 2019 U.S. Dist. LEXIS
5 207423, at *17-18 (C.D. Cal. Dec. 2, 2019) (“That [Defendant] has contacts with
6 California or conducts substantial business activities in California is not determinative
7 of BMW NA's citizenship for the purposes of diversity jurisdiction...”); *Dejong v.*
8 *Prod. Assocs.*, 2015 U.S. Dist. LEXIS 35286, at *23 (C.D. Cal. March 19, 2015) (“The
9 fact, therefore, that 60-65% of PA's business activities visible to the public occur in Las
10 Vegas, Nevada, is not determinative under the ‘nerve center’ test.”); *L’Garde, Inc. v.*
11 *Raytheon Space & Airborne Sys.*, 805 F.Supp.2d 932, 940-41 (C.D. Cal. 2011)
12 (“Plaintiff assumes Defendant Raytheon SAS is a California company because of its
13 highly visible business activities within the state; however, Defendant has pled facts
14 indicating its executive-level decisions are made from Raytheon Company's Waltham,
15 Massachusetts headquarters and, under the ‘nerve center’ test, the Court finds that to be
16 determinative.”).

17 So as it stands then, the sole competent, relevant evidence conclusively
18 establishes that Copenhagen, Denmark is where Rokoko’s corporate officers direct,
19 control and coordinate its activities, and therefore, Copenhagen is Rokoko’s principal
20 place of business. Complete diversity exists.

21 **B. Plaintiff’s Other Requests For Relief Must Be Denied.**

22 The additional relief sought in Plaintiff’s Motion should all be summarily denied.
23 As for Plaintiff’s request that a default be entered against Rokoko, Rokoko timely filed
24 its motion to dismiss, which is currently pending before this Court.³ There is simply no
25 basis to enter default.

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28 ³ The meet and confer efforts by Rokoko’s counsel in connection with its Motion to Dismiss are set forth in detail in the Declaration of Katherine J. Ellena. *See* ECF No. 42-1.

1 Plaintiff's requests for sanctions or that Reed Smith be disqualified from this
2 action should also be rejected out of hand. Contrary to Plaintiff's contentions, a Reed
3 Smith attorney licensed in California has filed each document in this action. That
4 additional attorneys have been included in signature blocks indicating that *pro hac*
5 petitions were pending (which petitions were eventually granted) further demonstrates
6 there has not been any "unauthorized practice of law". Mot., 23:446-447.

7 Accordingly, the Court must deny Plaintiff's additional requests for relief.

8 **III. CONCLUSION**

9 For the reasons stated herein, the Court should deny Plaintiff's Motion to Strike
10 Rokoko's removal.

11
12 DATED: July 28, 2025

REED SMITH LLP

13
14 By: /s/ Katherine J. Ellena
15 Katherine J. Ellena
16 Michael Galibois (*pro hac vice*)
17 Emily Graue (*pro hac vice*)

18 *Attorneys for Defendant*
19 *Rokoko Electronics*
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CERTIFICATE OF COMPLIANCE

The undersigned, counsel of record for Defendant Rokoko Electronics, certifies that this brief contains 1,817 words, which complies with the word limit of L.R. 11-6.2.

DATED: July 28, 2025

/s/ Katherine J. Ellena
Katherine J. Ellena

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