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I. INTRODUCTION

This is a motion to stay this case while the proceedings involving the five patents at issue are completed by the U.S. Patent and Trademark Office's ("PTO"). Specifically, defendants GEA Process Engineering, Inc. ("GPNA") and GEA Procomac S.p.A. ("Procomac") (collectively "GEA") respectfully move this Court to stay this litigation as of September 7, 2013 pending the outcome of (1) the U.S. Patent and Trademark Office's ("PTO") reexaminations of the five patents-in-suit and (2) any PTO Inter Partes Review ("IPR") proceedings that GEA requests.¹

Almost all of the claims contained in the patents that Steuben asserted against GEA have been determined to be unpatentable by the PTO in the ongoing reexaminations. Continuing to invest efforts in this case at this point would be a waste of resources for this Court and the parties. Even as this motion is being written, Steuben Foods, Inc. ("Steuben") is cancelling or amending claims in the patents-in-suit. This is a case that cries out for a stay, while Steuben determines which patent claims it actually will have.

As GEA previously advised this Court, GEA currently intends to petition the PTO to institute IPR invalidity proceeding(s) against one or more of Steuben's patents-in-suit, but needs Steuben's claim-by-claim infringement contentions before doing so. Throughout this suit, GEA has pushed Steuben to identify which of the 140 claims in Steuben's five patents-in-suit are being asserted against GEA. Dkt. No. 27, p. 4; Dkt. No. 27-2 (GEA's Proposed Case Management Order), ¶¶ 10-12. To facilitate Steuben's creation of infringement contentions, GEA even "offered to produce [and did produce] detailed technical documents for the accused systems well before Plaintiff's infringement contentions would be due." Dkt. No. 27, p. 4; Dkt.

¹ GEA's counsel asked Steuben's consent to stay this lawsuit pending completion of the PTO's reexamination of the patents-in-suit. Steuben's counsel did not consent.

No. 27-2 (GEA's Proposed Case Management Order), ¶ 9. Steuben reviewed those documents and asked for more, which have been provided. GEA explained to Steuben and this Court that such contentions will enable GEA to understand which claims are allegedly infringed. Steuben's infringement contentions are due on September 6, 2013. Case Management Order (Dkt. No. 48), ¶ 5. GEA therefore asks that the stay start immediately after Steuben has served its infringement contentions.

II. BACKGROUND

This is a patent infringement suit involving bottle-filling machinery. Defendant Procomac makes filling systems in Italy and Defendant GPNA has sold Procomac systems to companies who engage in bottling in the U.S. Steuben sells bottling services and, in the past, Procomac has repeatedly offered to sell its bottling machinery to Steuben, as early as 2003.

Steuben accuses GEA's systems of infringing Steuben's U.S. Patent Nos. 6,945,013 (" '013 patent"), 6,481,468 (" '468 patent"), 6,536,188 (" '188 patent"), 6,475,435 (" '435 patent"), and 6,209,591 (" '591 patent") (collectively "patents-in-suit"). Steuben's Compl. (Dkt. No. 1), ¶¶ 37-71. GEA denies that the patents-in-suit are valid or infringed. *See* GPNA's Answer (Dkt. No. 8), ¶¶ 37-74; Procomac's Answer (Dkt. No. 28), ¶¶ 37-74.

Before Steuben filed its suit against GEA, third parties had asked the PTO to reexamine the validity of all five patents-in-suit. Dkt. Nos. 34-2 to 34-6 (reexamination decisions noting the filing dates of the reexamination requests on their cover sheets). The PTO granted all five of those Requests for Reexamination, agreeing that there was either a substantial new question of patentability or a reasonable likelihood that Steuben's claims were invalid. *Id.* The PTO has now issued office actions rejecting Steuben's claims in all five reexaminations, most recently on

May 14, 2013. In total, the PTO has rejected (in non-final or final office actions²) 126 of the 140 claims in Steuben's five patents-in-suit:

	U.S. Patent No. Of Patent-In-Suit	Latest PTO Action In Reexamination	No. Of Patent Claims Rejected In Latest PTO Action	No. Of Claims In Patent
1	6,475,435 (Reexamination Control No. 90/012,135)	9/17/12 Non-final Office Action (Dkt. No. 34-7)	37	37
2	6,481,468 (Reexamination Control No. 95/000,686)	10/12/12 Non-final Office Action (Dkt. No. 34-8)	26	35
3	6,209,591 (Reexamination Control No. 90/012,533)	5/14/13 Non-final Office Action (Kiersz Decl., Exhibit 2)	28	28
4	6,945,013 (Reexamination Control No. 95/001,452)	9/28/12 Non-final Office Action (Dkt. No. 34-9)	18	20
5	6,536,188 (Reexamination Control No. 90/011,072)	4/23/13 Final Office Action (Kiersz Decl., Exhibit 1)	17	20
	TOTAL:		126 Rejected Claims	140

Based on these current office action rejections by the PTO, each of Steuben's five patents-in-suit is likely to have many, if not all, of its claims canceled or narrowed during the PTO proceedings.

Since Steuben filed its complaint, Steuben has been cancelling, adding, and amending claims, while the PTO has been determining claims to be unpatentable. In June, Steuben cancelled 17 of the 20 claims in Steuben's '188 patent, as a result of the PTO's analysis. USPTO Reexamination Control No. 90/011,072 (U.S. Patent No. 6,536,188), 6/24/13 Amendment (Kiersz Declaration, Exhibit 9), pp. 2-5. Less than two weeks ago, Steuben amended all but one of the independent claims in Steuben's '591 patent. USPTO Reexamination control no. 90/012,533 (U.S. Patent No. 6,209,591), 7/15/13 Response (Kiersz Declaration, Exhibit 8), pp.

² Steuben has an opportunity to respond to "Non-Final" office actions (1) by trying to convince the PTO to withdraw the PTO's rejections, or (2) by amending the rejected claims to try to narrow them to overcome the prior art and/or examiner's rejections.

2-8. As recently as May 14, 2013, the PTO issued an office action rejecting all claims in the final of the five reexaminations, thereby completing its initial review of all five patents-in-suit and determining that most of Steuben's claims are unpatentable. These recent Steuben and PTO actions justify staying this suit until the reexaminations end and all of these claim cancellations and amendments stop.

III. ARGUMENT

This Court has the “inherent power to manage [its] docket[] and stay proceedings, . . . including the authority to order a stay pending conclusion of a PTO reexamination.” *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1426–27 (Fed. Cir. 1988) (internal citation omitted). In exercising that power, this Court has recognized that “[t]here is a liberal policy in favor of granting motions to stay proceedings pending the outcome of the USPTO reexamination or reissuance proceedings.” *Gaymar Indus., Inc. v. Cincinnati Sub-Zero Prods., Inc.*, No. 08-CV-299S, 2009 WL 3162213, at *4 (W.D.N.Y. Sept. 28, 2009) (quoting *Robbins v. H.H. Brown Shoe Co., Inc.*, No. 08–Civ.6885, 2009 WL 2170174, at *1 (S.D.N.Y. June 30, 2009)). In fact, “[t]he stay of pending litigation to enable PTO review of contested patents was one of the specified purposes of the reexamination legislation.” *Patlex Corp. v. Mossinghoff*, 758 F.2d 594, 606, *modified on other grounds at reh’g*, 771 F.2d 480 (Fed. Cir. 1985). Three factors are relevant to the Court’s consideration of a stay pending reexamination: “(1) whether a stay would unduly prejudice or present a clear tactical disadvantage to the nonmoving party; (2) whether a stay will simplify the issues in question and trial of the case; and (3) whether discovery is complete and whether a trial date has been set.” *Xerox Corp. v. 3Com Corp.*, 69 F. Supp. 2d 404, 406 (W.D.N.Y. 1999). All three of these factors counsel in favor of staying this suit.

A. A Stay Would Not Unduly Prejudice or Tactically Disadvantage Steuben

A stay pending the outcome of the reexaminations and IPR proceeding(s) would not unduly prejudice or tactically disadvantage Steuben for at least six reasons.

1. The Limited Delay Pending The Outcome Of The Substantially-Complete Reexaminations Does Not Create An Undue Prejudice

A stay pending the outcome of the PTO's reexamination proceedings will not unduly prejudice Steuben, because all five reexaminations are substantially completed (claims examined either finally or non-finally). So there is no risk of tactical or indefinite delay of the litigation. Indeed, the "delay inherent in the reexamination process does not constitute, by itself, undue prejudice" and many courts have recognized this. *SKF Condition Monitoring, Inc. v. SAT Corp.*, No. 07CV1116 BTM (NLS), 2008 WL 706851, at *6 (S.D. Cal. Feb. 27, 2008) (internal quotations omitted); *see also Lavagear Inc. v. Okamoto USA, Inc.*, No. 12-CV-2317 (KAM), 2013 WL 145765, at *1 (E.D.N.Y. Jan. 14, 2013); *Larson Archery Co. v. Mathews, Inc.*, No. 1:11-CV-126 TS, 2013 WL 139472, at *2 (D. Utah Jan. 10, 2013); *Computerized Screening, Inc. v. Lifeclinic Int'l, Inc.*, No. 3:09-CV-00465-RCJ-(RAM), 2010 WL 3257679, at *3 (D. Nev. Aug. 16, 2010); *ICI Uniqema, Inc. v. Kobo Prods., Inc.*, Civ. Action No. 06-2943 (JAP), 2009 WL 4034829, at *2 (D.N.J. Nov. 20, 2009); *Esco Corp. v. Berkeley Forge & Tool, Inc.*, No. C 09-1635 SBA, 2009 WL 3078463, at *3 (N.D. Cal. Sept. 28, 2009).

All five of these pending reexaminations were requested before Steuben even filed this suit. Dkt. Nos. 34-2 to 34-6 (reexamination decisions noting the filing dates of the reexamination requests on their cover sheets). The USPTO issued office action rejections in two of the reexaminations a week before Steuben even filed this September 24, 2012 suit, and the PTO issued office actions in two more of the reexaminations, less than three weeks later. *See* Reexamination of the '435 patent (Reexamination Control No. 90/012,135), 9/17/12 Office

Action (Dkt. No. 34-7); Reexamination of the ‘188 patent (Reexamination Control No. 90/011,072), 9/17/12 Office Action (Dkt. No. 34-10); Reexamination of the ‘468 patent (Reexamination Control No. 95/000,686), 10/12/12 Non-final Office Action (Dkt. No. 34-8); Reexamination of the ‘013 patent (Reexamination Control No. 95/001,452), 9/28/12 Non-final Office Action (Dkt. No. 34-9). The PTO issued its office action rejection in the fifth and final reexamination on May 14, 2013. Reexamination of the ‘591 patent (Reexamination Control No. 90/012,533), 5/14/13 Non-final Office Action (Kiersz Decl., Exhibit 2). The PTO’s rejection of nearly all of the claims in the patents-in-suit show that this suit is now ripe for a stay. GEA expects the PTO to issue final office action rejections in all five patents-in-suit within the next year, particularly in view of the fact that reexaminations are statutorily “conducted with special dispatch.” 35 U.S.C. § 305.

2. Steuben’s Nine Year Delay In Filing This Suit Proves That A Stay Will Not Unduly Prejudice Steuben

Steuben’s own nine year delay in filing its suit further demonstrates that Steuben will not be prejudiced by a stay. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Steuben nonetheless waited nine years after learning of GEA's allegedly infringing filling systems to file suit on September 24, 2012. Steuben's Compl. (Dkt. No. 1). Steuben's nine year delay in filing suit shows that Steuben would not be unduly prejudiced by a stay pending reexamination of the patents-in-suit. Simply put, if time were truly of the essence for Steuben, then Steuben would have filed suit sooner. Courts overwhelmingly reject plaintiffs' claims that competition will cause undue prejudice when plaintiffs delay years before filing suit. *See, e.g., Pacific Bioscience Labs., Inc. v. Pretika Corp.*, 760 F. Supp. 2d 1061, 1067 (W.D. Wash. 2011) ("[Plaintiff]'s assertion that it will be prejudiced with further loss of market share and price erosion by the delay engendered by a stay is contradicted by its own delay in pursuing its infringement claim."); *Hill-Rom Servs., Inc. v. Stryker Corp.*, No. 1:11-CV-1120-JMS-DKL, 2012 WL 5878087, at *3 (S.D. Ind. Nov. 20, 2012) (staying litigation where plaintiff had delayed over six years in filing suit and did not seek a preliminary injunction); *Network Appliance, Inc. v. Sun Microsystems Inc.*, No. C-07-06053 EDL, 2010 WL 545855, at *5 (N.D. Cal. Feb. 11, 2010) (no undue prejudice from stay where plaintiff "waited nearly three years" after announcement of accused product and "two years after [product's] release to file suit"); *Inteplast Grp., Ltd. v. Coroplast, Inc.*, No. 4:08-CV-1413 CAS, 2009 WL 1774313, at *2 (E.D. Mo. June 23, 2009) (no undue prejudice from stay where plaintiff waited over two years after first sale of accused product to file suit); *O'Keeffe's, Inc. v. Technical Glass Prods.*, No. C

07- 03535 JF, 2007 WL 4105976, at *2 (N.D. Cal. Nov. 16, 2007) (no undue prejudice from stay where plaintiff waited more than a year after patent issuance to file suit); *Pacific*, 760 F. Supp. 2d at 1067 (no undue prejudice from stay where plaintiff waited to sue competitor until two years after patent issued and three years after sending notice of pending patent); *Phil-Insul Corp. v. Airlite Plastics, Inc.*, No. 8:12CV151, 2012 WL 5193814, at *3 (D. Neb. Oct. 18, 2012) (no undue prejudice from stay where plaintiff “waited over one and a half years since the Patent emerged from reexamination” before suing competitor).

3. Steuben’s Decision Not To Seek A Preliminary Injunction Shows That A Stay Will Not Unduly Prejudice Steuben

Steuben’s decision not to seek a preliminary injunction against GEA further “suggest[s] that [Steuben] would not be unduly prejudiced by staying this litigation.” *Phil-Insul Corp. v. Airlite Plastics, Inc.*, No. 8:12CV151, 2012 WL 5193814, at *3 (D. Neb. Oct. 18, 2012); *see also Equipements de Transformation IMAC v. Anheuser-Busch Cos., Inc.*, 559 F. Supp. 2d 809, 816, *modified on recon. on other grounds*, No. 07-13306, 2008 WL 3852240 (E. D. Mich. Aug. 18, 2008) (staying litigation when “the fact that the plaintiff did not request preliminary injunctive relief cuts against any argument that it is faced with emergent circumstances”).

4. Delayed Damages (If Steuben Prevails In This Suit) Is Not Undue Prejudice

The only potential prejudice to Steuben would be a delay in collecting potential money damages, which does not constitute undue prejudice. *Dataquill Ltd. v. High Tech Computer Corp.*, No. 08cv543-IEG-LSP, 2009 WL 1391537, at *3 (S.D. Cal. May 14, 2009) (“Where Plaintiffs have an adequate remedy at law, there is no undue prejudice.”) (quoting *SKF Condition Monitoring*, 2008 WL 706851, at *6) (internal quotations omitted); *see also Datatresury Corp. v. Wells Fargo & Co.*, 490 F. Supp. 2d 749, 752 (E.D. Tex. 2006) (granting motion to stay pending reexamination when defendant argued “the availability of money damages is sufficient

to protect Plaintiff from [undue] prejudice”) (alteration added); *Lincoln Nat’l Life Ins. Co. v. Transamerica Fin. Life Ins. Co.*, No. 1:08-CV-135-JVB-RBC, 2009 WL 1108822, at *3 (N.D. Ind. Apr. 24, 2009) (“If the patent[s] [are] cancelled, . . . then the prejudice to [patentee] would be non-existent. If, on the other hand, the [patents] withstand[] challenge, then [patentee] can proceed with this lawsuit for any damages that accrued in the interim.”).

5. A Statutorily Limited Delay Pending The Outcome Of Any IPR Proceedings Will Not Unduly Prejudice Steuben

A stay pending the outcome of any of GEA’s IPR proceedings will not unduly prejudice Steuben because IPR proceedings are statutorily required to start and finish quickly. IPR petitions are due by October 10, 2013. 35 U.S.C. § 315(b) (“An inter partes review may not be instituted if the petition requesting the proceeding is filed more than 1 year after the date on which the petitioner, real party in interest, or privy of the petitioner is served with a complaint alleging infringement of the patent.”); Summons (Dkt. No. 7) (indicating service on GPNA on October 10, 2012). GEA’s IPR proceedings will end soon as well because IPR proceedings are statutorily supposed to conclude at the PTO within “1 year” of their institution. 35 U.S.C. § 316(b)(11).

6. Steuben’s Amendment Of The ‘591 Patent’s Claims Prevents Prejudice Because Steuben Cannot Even Assert These Claims Until The Reexamination Ends

Less than two weeks ago, Steuben amended all but one³ of the independent claims in the ‘591 patent. USPTO Re-examination control no. 90/012,533 (U.S. Patent No. 6,209,591), 7/15/13 Response (Kiersz Declaration, Exhibit 8), pp. 2-8. These amended claims will not become enforceable patent claims until the reexamination concludes with a reexamination

³ The only independent claim in the ‘591 patent that Steuben did not amend (claim 23), is so very narrow that there could be no allegation of infringement by Steuben.

certificate (even if the PTO withdraws the current rejection of these claims). Reexamination of the '591 patent (Reexamination Control No. 90/012,533), 5/14/13 Non-final Office Action (Kiersz Decl., Exhibit 2) (rejecting all claims in the '591 patent). As a result, GEA activity that occurs before the reexamination ends cannot infringe these amended claims. 35 U.S.C. § 307(b); 35 U.S.C. § 252. A stay pending the outcome of the '591 patent reexamination could not possibly prejudice Steuben because Steuben cannot assert these claims against GEA until the reexamination ends. The same is true for other newly added claims.

B. A Stay Will Greatly Simplify Issues For This Court And The Parties

The second factor also strongly favors a stay. This Court has recognized numerous benefits of a stay pending reexamination, including the following: (1) some of the “prior art presented to the Court will have been first considered by the PTO, with its particular expertise”; (2) “[m]any discovery problems relating to prior art can be alleviated by the PTO examination”; (3) “[i]n those cases resulting in effective invalidity of the patent, the suit [as to that patent] will likely be dismissed”; (4) “[t]he outcome of the reexamination may encourage a settlement without further use of the [C]ourt”; (5) “[t]he record of the reexamination would likely be entered at trial, thereby reducing the complexity and length of the litigation”; (6) “[i]ssues, defenses, and evidence will be more easily limited in pre-trial conferences after a reexamination”; and (7) “[t]he cost will likely be reduced both for the parties and the Court.” *Gaymar*, 2009 WL 3162213, at *4; accord *Snyder Seed Corp. v. Scrypton Sys., Inc.*, No. 98-CV-87S(H), 1999 WL 605701, at *3 (W.D.N.Y. June 11, 1999).

The PTO reexaminations are in the process of greatly simplifying this suit by avoiding the need for the Court and parties to consider infringement, validity, or claim construction issues with respect to at least 126 currently rejected claims. Steuben is also in the process of creating more and more information at the PTO that will be used in Markman briefing, as Steuben

attempts to explain various claim terms. Nothing would be more wasteful than for this Court and the parties to expend substantial resources construing and litigating the infringement and validity of patent claims that are being invalidated.

The judicial inefficiency of proceeding in this suit with respect to the ‘435 and ‘591 patents is particularly pronounced in view of the fact that the PTO has rejected every single claim in these two patents-in-suit. Reexamination of the ‘435 patent (Reexamination Control No. 90/012,135), 9/17/12 Non-final Office Action (Dkt. No. 34-7) (rejecting all 37 claims); Reexamination of the ‘591 patent (Reexamination Control No. 90/012,533), 5/14/13 Non-final Office Action (Kiersz Decl., Exhibit 2) (rejecting all 28 patent claims).

Steuben’s own actions in the past month irrefutably confirm that the reexaminations are greatly simplifying this suit. On June 24, 2013, less than one month ago, Steuben cancelled 17 of the 20⁴ claims in the ‘188 patent, rendering the Court’s and the parties’ analysis of these 17 cancelled claims a complete waste of time. USPTO Re-Examination Control No. 90/011,072 (U.S. Patent No. 6,536,188), 6/24/13 Amendment (Kiersz Declaration, Exhibit 9), pp. 2-5. As discussed above in Section III.A.6, Steuben just amended nearly every independent claim in the ‘591 patent, thereby completely changing the infringement, invalidity, and claim construction issues for this patent. Proceeding in court now, on claims that Steuben is currently amending or cancelling, would be a waste of the Court’s and parties’ resources.

Moreover, even if some of Steuben’s asserted claims survive reexamination and remain unaltered, the record of the proceedings will still simplify the issues in this case. For one thing, the representations that Steuben makes to the PTO to distinguish its patents and certain claim terms from the prior art will bear directly on the claim term interpretation (and therefore

⁴ GEA has clearly not infringed any of the three claims remaining in the ‘188 patent.

infringement and validity) of the claims and any other claims containing the same language. For example, three of the patents-in-suit have claims containing the term “aseptic.” *See, e.g.*, ’468 patent (Dkt. No. 1-3), 25:61-62 (claim 1); ’013 patent (Dkt. No. 1-1), 16:8-10 (claim 9); ’188 patent (Dkt. No. 1-2), 16:11-13 (claim 10). Steuben has made arguments to the PTO about the meaning of the term “aseptic” that will be relevant to this Court’s construction of the term (and its comparison of the relevant claims to the prior art and to GEA’s accused systems) in each of those three patents. *See, e.g., Omega Eng’g, Inc. v. Raytek Corp.*, 334 F.3d 1314, 1334 (Fed. Cir. 2003) (courts “presume . . . the same claim term in the same patent or related patents carries the same construed meaning”); *Advanced Cardiovascular Sys., Inc. v. Medtronic, Inc.*, 265 F.3d 1294, 1305 (Fed. Cir. 2001) (“The prosecution history of a related patent can be relevant if, for example, it addresses a limitation in common with the patent in suit.”).

In addition, the PTO examiners’ understanding of Steuben’s claim terms (as a person of ordinary skill in the art) could very well inform this Court’s claim construction. “[W]hether or not the PTO ultimately amends or invalidates a patent’s claims during reexamination, the PTO’s reexamination provides the Court with an expert funneling of the issues for trial.” *Spa Syspatronic, AG v. Verifone, Inc.*, Civil Action No. 2:07-CV-416, 2008 WL 1886020, at *1 (E.D. Tex. Apr. 25, 2008).

A stay would also simplify this suit by providing this Court with the benefit of the PTO’s expert analysis of the 100+ prior art references being considered in connection with the reexaminations. As the Federal Circuit has explained, “[o]ne purpose of the reexamination procedure is . . . to facilitate trial of [patent validity] by providing the district court with the expert view of the PTO (when a claim survives the reexamination proceeding).” *Gould v. Control Laser Corp.*, 705 F.2d 1340, 1342 (Fed. Cir. 1983).

The large number of patents-in-suit (five) and potential patent claims at issue (140) further bolster the benefits of a stay here. Courts routinely grant stays where, as here, all of the patents-in-suit are undergoing reexamination.⁵ This situation is unique in that the reexaminations are so far along in the process.

A stay pending GEA's IPR Proceedings will also simplify this suit by eliminating possible invalidity defenses. Once final, the PTO's IPR decisions will estop the IPR requestor from pursuing in this suit any invalidity defense that was "raised or reasonably could have raised during that *inter partes* review" against such a claim. 35 U.S.C. § 315(e)(2).

Staying the present suit, pending the outcome of these reexaminations and any IPR proceedings, will simplify the issues in this litigation by removing numerous invalid claims, narrowing others, and providing guidance to the parties and the Court as to Steuben's own interpretation of its patents and the PTO's expert view. *See, e.g., Snyder Seed Corp. v. Scrypton Sys., Inc.*, No. 98-CV-87S(H), 1999 WL 605701, at *2 (W.D.N.Y. June 11, 1999) (pending reexaminations would "eliminate trial of the issue of patent claim validity" for canceled claims and "facilitate trial of that issue by providing the district court with the expert view of the PTO")

⁵ *See, e.g., VData, LLC v. Aetna, Inc.*, Civ. Action No. 06-1701 JNE/SRN, 2006 WL 3392889, at *6 (D. Minn. Nov. 21, 2006) ("Particularly in complex cases involving multiple patents and related patents, courts have found that a stay would result in simplification."); *AT&T Intellectual Prop. I v. Tivo, Inc.*, 774 F. Supp. 2d 1049, 1054 (N.D. Cal. 2011) (staying litigation pending reexamination of all four patents-in-suit); *MonoSol Rx, LLC v. BioDelivery Scis. Int'l, Inc.*, Civ. Action No. 10-5695 (FLW), 2012 WL 762501, at *11 (D.N.J. Mar. 7, 2012) (staying litigation pending reexamination of all three patents-in-suit); *Avery Dennison Corp. v. Alien Tech. Corp.*, No. 08 CV 795, 2009 WL 2169211, at *3-4 (N.D. Ohio July 20, 2009) (O'Malley, J.) (staying litigation pending reexamination of all three patents-in-suit because "a stay pending the outcome of those reexamination proceedings will avoid duplication of effort and promote efficient and economical resolution of the intellectual property disputes underlying this litigation."); *Abbott Diabetes Care, Inc. v. Dexcom, Inc.*, C.A. No. 06-514 GMS, 2007 WL 2892707, at *5-6 (D. Del. Sept. 30, 2007) (staying litigation pending reexamination of all seven patents-in-suit); *CIVIX v. Nat'l Ass'n of Realtors*, No. 05 C 6869, 2007 WL 7767602, at *5 (N.D. Ill. Sept. 17, 2007) (staying litigation pending reexamination of all four patents-in-suit).

for surviving claims); *Anascape, Ltd. v. Microsoft Corp.*, 475 F. Supp. 2d 612, 615 (E.D. Tex. 2007) (“Courts need not expend unnecessary judicial resources by attempting to resolve claims which may be amended, eliminated or lucidly narrowed by the patent reexamination process and the expertise of its officers.”).

C. The Early Stage Of This Suit Favors A Stay

Finally, a stay is warranted here because this case remains in its early stages, with little progress toward trial. As this Court recognizes, “courts ‘routinely’ issue stays pending the outcome of reexamination proceedings, particularly in cases where the litigants have not made substantial progress towards trial.” *Bausch & Lomb Inc. v. Rexall Sundown, Inc.*, 554 F. Supp. 2d 386, 389 (W.D.N.Y. 2008); *see also Gaymar*, 2009 WL 3162213, at *4 (“This Court is persuaded by those cases in which proceedings are routinely stayed in the absence of substantial progress towards trial.”); *CIVIX*, 2007 WL 7767602, at *4 (“Here, a stay is appropriate under the circumstances because the parties have not completed discovery and the Court has yet to set a trial date.”).

Here, the case has not progressed past some preliminary discovery (such as the parties exchanging the required GEA core technical documents and Steuben's conception and reduction to practice documents). A case management order was only just entered on July 2, 2013 and a Protective Order was entered on July 16, 2013. (Dkt. Nos. 48 and 52). The parties have taken no depositions. The Court has not scheduled a claim construction hearing, nor have the parties filed claim construction briefs. *Id.* A trial date has not yet been set. The parties have yet to even start the mediation process. *Id.*

A stay pending the outcome of the reexaminations and IPR proceedings is particularly appropriate in these circumstances.

IV. CONCLUSION

All three factors weigh heavily in favor of granting a stay of this case while the PTO reviews the patentability of Steuben's patents-in-suit. GEA respectfully requests that the Court stay this litigation as of September 7, 2013 pending the outcome of the PTO's reexaminations and IPR proceedings with respect to the patents-in-suit.

DATED: July 24, 2013

Respectfully submitted,

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**ATTORNEYS FOR DEFENDANTS
GEA PROCESS ENGINEERING, INC.
AND GEA PROCOMAC S.p.A.**

Attachments:

Declaration of Benjamin L. Kiersz, including

Exhibit 1: USPTO Re-Examination Control No. 90/011,072 (U.S. Patent No. 6,536,188), 4/23/13 Office Action;

Exhibit 2: USPTO Re-examination control no. 90/012,533 (U.S. Patent No. 6,209,591), 5/14/13 Office Action;

[REDACTED]

Exhibit 8: USPTO Re-examination control no. 90/012,533 (U.S. Patent No. 6,209,591), 7/15/13 Response;

Exhibit 9: USPTO Re-Examination Control No. 90/011,072 (U.S. Patent No. 6,536,188), 6/24/13 Amendment And Response To Office Action

CERTIFICATE OF SERVICE

I, William P. Atkins, counsel for defendants GEA Process Engineering, Inc. and GEA Procomac S.p.A., hereby certify that on July 24, 2013, I caused the foregoing **DEFENDANTS' MEMORANDUM IN SUPPORT OF THEIR MOTION TO STAY PROCEEDINGS PENDING REEXAMINATION AND REVIEW OF THE PATENTS-IN-SUIT** (including all exhibits thereto) to be electronically filed with the Clerk of the District Court using its CM/ECF system. Notice of this filing will be sent to the registered participants as identified on the Notice of Electronic Filing.

In addition, a copy of the unredacted memorandum is being sent to counsel of record for plaintiff via email and First Class mail, postage prepaid.

/s/ William P. Atkins
William P. Atkins (**pro hac vice*)