

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
MIDLAND-ODESSA DIVISION

PERCEPTIVE AUTOMATA LLC,

Plaintiff,

v.

TESLA INC.,

Defendant.

Case No. 7:25-cv-00594-DC-DTG

DEFENDANT'S OPPOSED MOTION TO STAY

Table of Contents

I. Factual Background 1

II. Legal Standard 2

III. Argument 3

 A. Perceptive Will Not Suffer Undue Prejudice 3

 B. The Stage of The Case Favors a Stay 5

 C. The IPRs Will Simplify or Eliminate Issues, Reducing the Burden on the Parties
 and This Court 5

IV. Statement Of Conference Pursuant To Local Rule CV-7(G) 6

V. Conclusion 6

TABLE OF AUTHORITIES

	Page(s)
CASES	
<i>Almondnet, Inc. v. Amazon.com, Inc.</i> , No. 6:24-cv-234-RP (W.D. Tex. May 28, 2025)	4
<i>Bell Semiconductor, LLC v. NXP Semiconductors, N.V.</i> , No. 1:20-CV-611-LY, 2022 WL 1447948 (W.D. Tex. Feb. 7, 2022)	2
<i>Crossroads Sys., Inc. v. Dot Hill Sys. Corp.</i> , No. A-13-CA-1025-SS, 2015 WL 3773014 (W.D. Tex. June 16, 2015)	3
<i>e-Watch, Inc. v. ACTi Corp.</i> , No. SA-12-CA-695-FB, 2013 WL 6334372 (W.D. Tex. Aug. 9, 2013)	5
<i>Ethicon, Inc. v. Quigg</i> , 849 F.2d 1422 (Fed. Cir. 1988)	2
<i>Gen. Motors Corp. v. Devex Corp.</i> , 461 U.S. 648 (1983)	4
<i>Impinj, Inc. v. NXP USA, Inc.</i> , No. 6:21-CV-00530-ADA, 2023 WL 7476358 (W.D. Tex. May 18, 2023)	6
<i>In re Etter</i> , 756 F.2d 852 (Fed. Cir. 1985)	6
<i>Kirsch Rsch. & Dev., LLC v. Tarco Specialty Prods., Inc.</i> , No. 6:20-CV-00318-ADA, 2021 WL 4555804 (W.D. Tex. Oct. 4, 2021)	3, 4
<i>Landmark Tech., LLC v. iRobot Corp.</i> , No. 6:13-cv-411-JDL, 2014 WL486836 (E.D. Tex. Jan. 24, 2014)	5
<i>Mullen Indus. LLC v. Meta Platforms, Inc.</i> , No. 1:24-cv-354-DAE (W.D. Tex. Jan. 29, 2025)	4
<i>NFC Tech. LLC v. HTC Am., Inc.</i> , No. 2:13-CV-1058-WCB, 2015 WL 1069111 (E.D. Tex. Mar. 11, 2015)	2, 3
<i>Perceptive Automata LLC. v Tesla Inc.</i> , No. 2:25-cv-742-JRG, ECF 1 (E.D. Tex. July 23, 2025)	1
<i>Rubin v. Kahoot! ASA</i> , No. 1:23-cv-31-DAE, 2023 WL 12048138 (W.D. Tex. Apr. 14, 2023)	4

VirtualAgility Inc. v. Salesforce.com, Inc.,
759 F.3d 1307 (Fed. Cir. 2014).....3

Wound Healing Techs. Corp. v. Solvatum Corp.,
No. 6:24-CV-589-RP, 2025 WL 3002063 (W.D. Tex. Aug. 7, 2025)5

Xylon Licensing LLC v. Lone Star Nat'l Bancshares-Texas, Inc.,
No. 6:21-CV-00302-ADA, 2022 WL 2078030 (W.D. Tex. June 8, 2022)5

Defendant Tesla LLC (“Tesla”) respectfully requests that the Court stay Plaintiff Perceptive Automata LLC’s (“Perceptive”) case against Tesla based on petitions for *inter partes* review (IPR) that Tesla filed at the United States Patent and Trademark Office (“USPTO”). Months before Perceptive filed this case, Tesla filed an IPR petition on each of the five asserted patents. Although pre-institution stays are not common, Tesla respectfully submits that this unusual fact pattern—with IPRs filed months before this lawsuit was filed—warrants a pre-institution stay. A short stay now while the USPTO considers whether to institute IPRs would not prejudice Perceptive, and, if the IPRs are not instituted, the case could promptly resume without disruption.

I. FACTUAL BACKGROUND

Just one week ago, on December 29, 2025, Perceptive filed its complaint against Tesla, alleging that Tesla infringes U.S. Patent Nos. 10,614,344 (“the ’344 patent”), 11,126,889 (“the ’889 patent”), 11,467,579 (“the ’579 patent”), 11,520,346 (“the ’346 patent”), 11,753,046 (“the ’046 patent”) (collectively, the “Asserted Patents”). *See* ECF 1 (“Compl.”). However, this is the second time Perceptive has sued Tesla on this same set of patents: Perceptive previously filed a complaint against Tesla alleging infringement of the Asserted Patents in the Eastern District of Texas. *See Perceptive Automata LLC. v Tesla Inc.*, No. 2:25-cv-742-JRG (the “EDTX Case”), ECF 1 (E.D. Tex. July 23, 2025). On October 14, 2025, Tesla filed a Motion to Dismiss, arguing in part that venue was improper. EDTX Case, ECF 30. After a lengthy extension, Perceptive mooted Tesla’s first Motion to Dismiss by filing a First Amended Complaint. EDTX Case, ECF 51. On December 15, 2025, Tesla again moved to dismiss the First Amended Complaint for improper venue, as to three of the five asserted patents. EDTX Case, ECF 61. Then, on December 29, 2025, more than two months after Tesla first raised the venue issue, Perceptive dismissed the EDTX case and filed the present case.

In parallel to the venue dispute in the EDTX case, and several months before the filing of Perceptive’s present Complaint, Tesla filed five IPR petitions, challenging every single claim of the Asserted Patents, as reflected in the below table:

IPR Number	Challenged Patent	Filing Date of Petition
IPR2025-01573	10,614,344	September 30, 2025
IPR2025-01574	11,126,889	October 2, 2025
IPR2025-01575	11,753,046	October 1, 2025
IPR2025-01576	11,467,579	October 9, 2025
IPR2025-01577	11,520,346	October 10, 2025

Perceptive’s Patent Owner’s Preliminary Responses in these IPRs are due over the next few weeks. The PTAB will then issue its institution decisions within three months, likely in April 2026. If IPRs are instituted, Final Written Decisions determining whether any claims of the Asserted Patents remain valid will be issued one year later, likely in April 2027.

II. LEGAL STANDARD

“Courts have the inherent power to manage their dockets, including the authority to order a stay.” *Bell Semiconductor, LLC v. NXP Semiconductors, N.V.*, No. 1:20-CV-611-LY, 2022 WL 1447948, at *1 (W.D. Tex. Feb. 7, 2022) (citing *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1426–27 (Fed. Cir. 1988)). “A stay is particularly justified when the outcome of a PTO proceeding is likely to assist the court in determining patent validity or eliminate the need to try infringement issues.” *NFC Tech. LLC v. HTC Am., Inc.*, No. 2:13-CV-1058-WCB, 2015 WL 1069111, at *1 (E.D. Tex. Mar. 11, 2015) (Cir. J. Bryson) (internal quotation marks omitted). In deciding whether to stay litigation pending IPRs, courts typically consider three factors: “(1) whether the stay will unduly prejudice the nonmoving party, (2) whether the proceedings before the court have reached an

advanced stage, and (3) whether the stay will likely result in simplifying the case before the court.” *Kirsch Rsch. & Dev., LLC v. Tarco Specialty Prods., Inc.*, No. 6:20-CV-00318-ADA, 2021 WL 4555804, at *2 (W.D. Tex. Oct. 4, 2021) (citing *NFC Tech.*, 2015 WL 1069111 at *2).

III. ARGUMENT

A. Perceptive Will Not Suffer Undue Prejudice

The absence of undue prejudice favors a stay in this case. “[W]hether the patentee will be unduly prejudiced by a stay in the district court proceedings . . . focuses on the patentee’s need for an expeditious resolution of its claim.” *See VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d 1307, 1318 (Fed. Cir. 2014). Perceptive is not an operating entity and will not suffer a loss in market share or other harm from a stay.

The current assignee of the Asserted Patents (Perceptive Automata LLC) is a Texas LLC formed in 2025, after the original assignee (Perceptive Automata, Inc.) apparently ceased operations. *See* Ex. A (Franchise Tax Records for Perceptive Automata, LLC, with taxpayer identification number redacted). Perceptive does not allege that it competes with Tesla. Perceptive does not offer any information regarding its current business practices, instead simply stating that they are a “Texas Limited Liability Company.” Compl. at ¶ 1. Perceptive did not request an injunction, and instead seeks only monetary relief. *Id.* at ¶ 336.

Because Perceptive is not an active competitor of Tesla, monetary relief will sufficiently compensate Perceptive for any alleged infringement, meaning that there would be no undue prejudice from a stay. As the Federal Circuit has recognized, a “stay will not diminish the monetary damages to which [Perceptive] will be entitled if it succeeds in its infringement suit—it only delays realization of those damages and delays any potential injunctive remedy.” *VirtualAgility*, 759 F.3d at 1318. The “mere delay in collecting [monetary] damages does not constitute undue prejudice.” *Crossroads Sys., Inc. v. Dot Hill Sys. Corp.*, No. A-13-CA-1025-SS,

2015 WL 3773014, at *2 (W.D. Tex. June 16, 2015); *see also Kirsch*, 2021 WL 4555804, at *2. Indeed, patent law already provides a mechanism to compensate patent owners like Perceptive from any delay in collecting damages: prejudgment interest. *Gen. Motors Corp. v. Devex Corp.*, 461 U.S. 648, 655 (1983) (“In the typical case an award of prejudgment interest is necessary to ensure that the patent owner is placed in as good a position as he would have been in had the infringer entered into a reasonable royalty agreement.”).

Moreover, any claim of undue prejudice rings hollow, given that Perceptive has already caused a greater delay in this dispute by neglecting to file in the proper venue and by delaying the refile of its case, after Tesla raised the venue problem. Perceptive’s original complaint in the Eastern District of Texas was filed over *five months* before Perceptive dismissed the case and re-filed the current case in the correct venue. In contrast, the PTAB will issue its decisions regarding institution of *inter partes* reviews within the next four months.

Additionally, it is unlikely that this case would progress far before the PTAB’s institution decisions on Tesla’s IPRs in April 2026.¹ “[S]hould the PTAB decide not to initiate IPR—a short stay of the proceedings will not unduly prejudice” Perceptive. *Almondnet, Inc. v. Amazon.com, Inc.*, No. 6:24-cv-234-RP (W.D. Tex. May 28, 2025), at *3; *see also Mullen Indus. LLC v. Meta Platforms, Inc.*, No. 1:24-cv-354-DAE, at *3-4 (W.D. Tex. Jan. 29, 2025) (citing *Rubin v. Kahoot! ASA*, No. 1:23-cv-31-DAE, 2023 WL 12048138, at *2 (W.D. Tex. Apr. 14, 2023) (finding that “a brief stay to await the PTAB’s decision promotes judicial efficiency”)). On the other hand, Tesla has and will continue to suffer undue prejudice in the absence of a stay, as it continues to incur the time and expense involved in defending against infringement allegations of patent claims that the

¹ Indeed, even if not formally stayed, it would be efficient for the Court to wait until after the PTAB’s institution decisions before issuing a scheduling order, thereby minimizing the disruption and wasted effort, if the IPRs are instituted.

USPTO may invalidate. There is no reason for the parties to continue incurring the expenses associated with litigating patent claims that may be invalidated by a separate body.

B. The Stage of The Case Favors a Stay

The extremely early stage of this case favors granting a stay. Perceptive only filed its Complaint last week. This district has recognized that a stay is appropriate when a case is still in the pleading stage, as is the case here. *See Xylon Licensing LLC v. Lone Star Nat'l Bancshares-Texas, Inc.*, No. 6:21-CV-00302-ADA, 2022 WL 2078030, at *2-4 (W.D. Tex. June 8, 2022). As in *Xylon*, this case is in its infancy. No scheduling order has been issued, “little-to-no judicial resources have been expended on this case,” and a stay will prevent the Court from “ruling on unnecessary issues.” *Id.* (citing *e-Watch, Inc. v. ACTi Corp.*, No. SA-12-CA-695-FB, 2013 WL 6334372, at *7 (W.D. Tex. Aug. 9, 2013)). Staying the case pending the IPRs would further “maximize the likelihood that neither the court nor the parties expend their assets addressing invalid claims.” *Landmark Tech., LLC v. iRobot Corp.*, No. 6:13-cv-411-JDL, 2014 WL486836, at *3 (E.D. Tex. Jan. 24, 2014) (internal quotation marks and citation omitted). Even if the claims survived IPRs, waiting for a final written decision from the PTAB would still be efficient because “the Court may also benefit from the supplemental analysis, preventing resource expenditure for duplicative findings.” *Xylon*, 2022 WL 2078030, at *3.

C. The IPRs Will Simplify or Eliminate Issues, Reducing the Burden on the Parties and This Court

Because Tesla filed IPRs challenging every claim in the Asserted Patents, if the PTAB “decide[s] to engage in *inter partes* review, the issues in this case could be greatly simplified, given that PTAB could find that all or some of the claims. . . are unpatentable.” *Wound Healing Techs. Corp. v. Solventum Corp.*, No. 6:24-CV-589-RP, 2025 WL 3002063, at *1 (W.D. Tex. Aug. 7, 2025). Tesla’s IPRs have the potential to fully eliminate Perceptive’s claims, which would be a

complete simplification of issues. Moreover, even if the IPRs are only partially successful, cancellation of some claims would reduce the issues for claim construction, expert discovery, dispositive motions briefing, and, ultimately, trial.

Further, the IPR petitions present prior art grounds that were not previously considered by the USPTO during prosecution of any of the patents at issue. Most notably, each of the IPRs involves International Publication No. WO2014/210334 (“Cox”), which was never brought to the attention of the USPTO, despite sharing an inventor (Samuel Anthony) with each of the Asserted Patents. Tesla respectfully submits that the USPTO should assess the impact of Cox on the asserted patents before this litigation proceeds. As noted by both the Federal Circuit and another court in this district, “an auxiliary function [of USPTO proceedings] is to free the court from any need to consider prior art without the benefit of the [USPTO]’s consideration.” *Impinj, Inc. v. NXP USA, Inc.*, No. 6:21-CV-00530-ADA, 2023 WL 7476358, at *4 (W.D. Tex. May 18, 2023) (quoting *In re Etter*, 756 F.2d 852, 857 (Fed. Cir. 1985)). In this way, the USPTO’s consideration of Cox will be highly informative on Tesla’s defenses in this case.

IV. STATEMENT OF CONFERENCE PURSUANT TO LOCAL RULE CV-7(G)

Tesla confirms that it has conferred with counsel for Perceptive Automata in a good faith attempt to resolve this matter by agreement. No agreement could be reached because Perceptive Automata is opposed to a stay of this case pending the completion of the IPR proceedings.

V. CONCLUSION

For the foregoing reasons, Tesla respectfully submits that good cause exists for staying the case pending the outcome of Tesla’s IPR proceedings against the Asserted Patents.

Dated: January 5, 2026

Respectfully submitted,

/s/ Roger Fulghum

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system on January 5, 2026.

/s/ Roger Fulghum _____

CERTIFICATE OF CONFERENCE

Pursuant to Local Rule CV-7(g), the undersigned hereby certifies that on January 5, 2026, counsel for Tesla conferred with Counsel for Plaintiff, who stated Plaintiff opposes the foregoing motion.

/s/ Roger Fulghum _____