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**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA**

LONGITUDE LICENSING
LIMITED,

Plaintiff,

v.

AMAZON.COM, INC.,

Defendant,

and

WESTERN DIGITAL
TECHNOLOGIES, INC.,

Intervenor-Defendant.

Case No. 8:23-cv-00039-JWH-DFMx

**ORDER GRANTING RENEWED
MOTION TO STAY PENDING IPR
[ECF No. 69]**

WESTERN DIGITAL
TECHNOLOGIES, INC.,

Counterclaimant,

v.

LONGITUDE LICENSING
LIMITED,

Counterdefendant,

1 In February 2024, Intervenor-Defendant and Counterclaimant Western
 2 Digital Technologies, Inc. (“WD”) renewed its motion to stay the instant action
 3 pending the resolution of its petitions for *inter partes* review (“IPR”) before the
 4 Patent Trial and Appeal Board (the “PTAB”).¹ Plaintiff and Counterdefendant
 5 Longitude Licensing Limited filed an opposition, and WD filed a reply.² The
 6 Court concludes that this matter is appropriate for resolution without a hearing,
 7 and, accordingly, it vacated the hearing set for March 1, 2023.³ *See*
 8 Fed. R. Civ. P. 78; L.R. 7-15. For the following reasons, the Court **GRANTS**
 9 **WD’s Motion.**

10 **I. BACKGROUND**

11 The Court provided the relevant background in its prior ruling denying
 12 WD’s motion to stay pending IPR.⁴ The Court incorporates that discussion by
 13 reference here.

14 The Court denied WD’s prior motion at least in part because the PTAB
 15 had not yet instituted review with respect to any of WD’s petitions.⁵ The PTAB
 16 has now instituted review in three proceedings—concerning the ’369, ’701, and
 17 ’539 Patents—and it has denied review concerning the ’233 Patent. The chart
 18 below summarizes the proceedings and their status:

19 Proceeding	Challenged Patent	Filing Date	Status
20 IPR2023-01123	’233 Patent, 21 Claims 1-4 (all 22 claims)	June 29, 2023	Institution <i>denied</i> on February 21, 2024.

24 ¹ Renewed Mot. to Stay Action Pending *Inter Partes* Review (the
 25 “Motion”) [ECF No. 69].

26 ² Opp’n to Motion (the “Opposition”) [ECF No. 75]; Reply in Support of
 Motion (the “Reply”) [ECF No. 76].

27 ³ Order Vacating Hearing [ECF No. 77].

28 ⁴ Order Denying Motion to Stay (the “Prior Order”) [ECF No. 61] 2-4.

⁵ *Id.* at 6.

Proceeding	Challenged Patent	Filing Date	Status
IPR2023-01200	'369 Patent, Claims 1, 2, 6, 7, 10, 11, 14-19, and 25-57 (all independent claims)	July 14, 2023	Instituted on January 19, 2024, for all challenged claims.
IPR2023-01230	'701 Patent, Claims 1-18 (all claims)	July 20, 2023	Instituted on January 23, 2024, for all challenged claims.
IPR2023-01286	'539 Patent, Claims 1-12 (all independent claims)	August 8, 2023	Instituted on February 21, 2024, for Claim 4.

II. LEGAL STANDARD

The Court provided the relevant legal standard in its prior order denying WD's motion to stay pending IPR.⁶ The Court incorporates that discussion by reference here.

III. DISPOSITION

A. Stage of Litigation

This case is at an early stage. First, the Court has not yet conducted a claim construction hearing nor has it issued a claim construction order. *See Wonderland Nursery Goods Co. v. Baby Trend, Inc.*, 2015 WL 1809309, at *3 (C.D. Cal. Apr. 20, 2015) (finding that a stay was warranted when the parties had submitted claim construction briefs, but no claim construction hearing had occurred). Also, at the time of WD's Motion, the parties had not yet filed their claim construction briefs. The stage of the litigation is assessed at the time that

⁶ Prior Order 4.

1 a motion for stay is filed. *See VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d
2 1307, 1317 (Fed. Cir. 2014).

3 Second, discovery is still in its early stages. Although the parties have
4 exchanged contentions and written discovery, the parties have not taken any
5 depositions nor have they started expert discovery. *See Locata LBS, LLC v.*
6 *Yellowpages.com, LLC*, 2014 WL 8103949, at *2-*3 (C.D. Cal. July 11, 2014) (the
7 case was in its early stages when neither party had requested nor taken any
8 depositions and expert discovery had not yet commenced); *see also Pi-Net Int'l,*
9 *Inc. v. Hertz Corp.*, 2013 WL 7158011, at *2 (C.D. Cal. June 5, 2013). Also,
10 discovery is not complete, and no trial date has been set. *See Universal Elecs.,*
11 *Inc. v. Universal Remote Control, Inc.*, 943 F. Supp. 2d 1028, 1031 (C.D. Cal.
12 2013) (considering “whether discovery is complete and whether a trial date has
13 been set”) (internal quotations and citations omitted).

14 Third, the Court has not conducted substantial hearings in this matter nor
15 has it otherwise expended significant resources. *See id.* (“[T]he Court’s
16 expenditure of resources is an important factor in evaluating the stage of the
17 proceedings.”). Here, the Court has ruled on only three procedural motions—
18 WD’s motions to intervene and to stay action with respect to downstream
19 defendants and WD’s initial motion to stay pending IPR.⁷ None of those
20 motions significantly advances the stage of litigation, and the initial motion to
21 stay, itself, does not establish that this case is advanced. *See DivX, LLC v.*
22 *Netflix, Inc.*, 2022 WL 1208167, at *4 (C.D. Cal. Mar. 29, 2022).

23 Ultimately, “there is more work ahead of the parties and the Court than
24 behind.” *Polaris PowerLED Techs., LLC v. LG Elecs., Inc.*, 2020 WL 6064964, at
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26 _____
27 ⁷ *See generally* Order Granting WD’s Motion to Intervene [ECF No. 42];
28 Order Granting WD’s Motion to Stay Case Against Downstream Defendants
[ECF No. 43]; Order Denying Motion to Stay Pending *Inter Partes* Review [ECF
No. 61].

1 *2 (C.D. Cal. Aug. 26, 2020) (internal citations and quotations omitted). Thus,
2 this factor favors a stay.

3 **B. Simplification of the Issues**

4 “There is a ‘near uniform line of authority [reflecting the principle that]
5 after the PTAB has instituted review proceedings, the parallel district court
6 litigation ordinarily should be stayed.’” *Versata Software, Inc. v. Configit A/S*,
7 2022 WL 3598158, at *3 (C.D. Cal. Apr. 27, 2022) (citing *NFC Tech. LLC v.*
8 *HTC America, Inc.*, 2015 WL 1069111, at *6–*7 (E.D. Tex. Mar. 11, 2015)).
9 Here, the PTAB instituted review of the petitions challenging the ’369, ’701,
10 and ’539 Patents.⁸ In light of the fact that those petitions involve most of the
11 patent claims asserted in this action, a stay will likely offer at least some
12 simplification.

13 Moreover, simplification is likely even though the PTAB will not address
14 all claims of all asserted patents. *See id.* (citing *British Telecom. PLC v.*
15 *IAC/InteractiveCorp*, 2019 WL 4740156, at * 7 (D. Del. Sept. 27, 2019)) (finding
16 a stay appropriate even when the PTAB instituted review on fewer than all
17 asserted claims). The PTAB denied institution of the petition challenging the
18 four asserted claims of the ’233 Patent.⁹ Additionally, WD did not challenge
19 four dependent claims of the ’369 Patent asserted in this action.¹⁰ Thus, the
20 parties will need to litigate those eight claims in any event. Still, the petitions
21 challenging the ’369, ’701, and ’539 Patents involve 34 patent claims in total and
22 concern all but one asserted independent claim.¹¹ The scope of the PTAB
23

24 ⁸ *See* Prior Order 2-4. Longitude filed a disclaimer with the United States
25 Patent and Trademark Office (the “USPTO”) [ECF No. 69-6]. Longitude
26 disclaims Claims 1-3 and 5-12 of the ’539 Patent. *See id.* Accordingly, only
Claim 4 remains at issue in this action and before the PTAB.

27 ⁹ *See* Prior Order 2-4.

28 ¹⁰ Opposition 6:23-25.

¹¹ *See* Prior Order 2-4.

1 proceedings far outweighs the eight claims that the PTAB will not address,
2 seven of which are dependent claims.

3 In the event that the PTAB invalidates any challenged claim, some
4 simplification is guaranteed because that decision will eliminate the claim from
5 this case. *See Core Optical Techs., LLC v. Fujitsu Network Commc'ns, Inc.*, 2016
6 WL 7507760, at *2 (C.D. Cal. Sept. 12, 2016) (“If the PTAB cancels or narrows
7 a portion of the asserted claims, the scope of this litigation may be significantly
8 reduced.”). Proceeding with a claim construction hearing and further litigation
9 at this time may involve work that ultimately proves unnecessary, wasting
10 judicial and the parties’ resources.

11 Even if the PTAB does not invalidate any claims, simplification is still
12 possible. *See, e.g., Realtime Data*, 2017 WL 3453295, at *2 (finding that a stay
13 provides “a richer prosecution history upon which to base necessary claim
14 construction determinations”); *Core Optical Techs.*, 2016 WL 7507760, at *2
15 (“Even if no patent claim is eliminated, the intrinsic record developed during
16 the IPR may inform on issues like claim construction.”). Also, to the extent that
17 any asserted claims of the ’369, ’701, and ’539 Patents remain after the
18 conclusion of the IPR proceedings, the estoppel provisions of 35 U.S.C.
19 § 315(e)(2) will apply and will eliminate waived invalidity arguments.

20 For the foregoing reasons, this factor favors a stay.

21 **C. The Risk of Undue Prejudice**

22 When considering prejudice or a clear tactical disadvantage to the
23 patentee, a court considers “(1) the timing of the petition for review; (2) the
24 timing of the request for the stay; (3) the status of the review proceedings; and
25 (4) the relationship of the parties.” *Telesign Corp.*, 2016 WL 6821111, at *4
26 (quoting *E. Digital Corp. v. Dropcam, Inc.*, 2016 WL 658033, at *4 (N.D. Cal.
27 Feb. 18, 2016)). “Courts have repeatedly found no undue prejudice unless the
28 patentee makes a specific showing of prejudice beyond the delay necessarily

1 inherent in any stay.” *PersonalWeb Techs.*, 69 F. Supp. 3d at 1029; *see also*
2 *Wonderland Nurserygoods Co.*, 2015 WL 1809309, at *4 (“The general prejudice
3 of having to wait for resolution is not a persuasive reason to deny the motion for
4 stay.”).

5 First, the timing of the petitions and the stay request are not prejudicial.
6 Longitude filed this action on January 9, 2023.¹² WD timely filed its petitions
7 for IPR approximately six months later, during the summer of 2023. *See* 35
8 U.S.C. § 315(b). WD first moved for a stay on August 9, 2023.¹³ The Court
9 denied without prejudice WD’s initial motion, in part because the PTAB had
10 not yet instituted review.¹⁴ The PTAB instituted review for two of WD’s
11 petitions in late January 2024. WD filed this Motion on February 2, 2024.¹⁵
12 That timeline establishes that WD acted promptly, both in filing its petitions and
13 in filing its stay requests.

14 Second, the status of the review proceedings does not, alone, pose undue
15 prejudice. Here, the PTAB should issue its final written decision in the three
16 instituted proceedings within 18 months. *See* 35 U.S.C. § 316(a)(11). Although
17 that is a substantial period of time, it is also a finite, statutory period. *See id.*
18 “Protracted delay is always a risk inherent in granting a stay . . . [and the]
19 general prejudice of having to wait for resolution is not a persuasive reason to
20 deny the motion for stay.” *Wonderland Nurserygoods Co.*, 2015 WL 1809309, at
21 *4 (quoting *Sorensen ex rel. Sorensen Research and Development Trust v. Black &*
22 *Decker Corp.*, 2007 WL 2696590, at *4 (S.D. Cal. Sept. 10, 2007)).

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25 ¹² *See generally* Compl. [ECF No. 1].

26 ¹³ *See generally* WD’s Initial Motion for Stay Pending *Inter Partes* Review
27 [ECF No. 54].

28 ¹⁴ *See* Prior Order 2-4.

¹⁵ *See generally* Motion.

1 Third, “[s]peculative assertions that evidence may be lost as a result of a
2 stay pending [IPR] are insufficient.” *Evolutionary Intelligence LLC v. Yelp Inc.*,
3 2013 WL 6672451, at *7 (N.D. Cal. Dec. 18, 2013) (citing *Software Rights*
4 *Archive, LLC v. Facebook, Inc.*, 2013 WL 5225522, at *5 (N.D. Cal. Sept. 17,
5 2013)). Longitude does not show that “the risk of evidence loss is greater here
6 than in any other case and that it amounts to more than the delay inherent to the
7 [IPR] process.” *Pragmatus AV, LLC v. Facebook, Inc.*, 2011 WL 4802958, at *3
8 (N.D. Cal. Oct. 11, 2011). General risk of evidence loss does not pose undue
9 prejudice here.

10 Finally, the relationship of the parties favors a stay. Longitude is a non-
11 practicing entity, and it would not risk losing sales to alleged infringers during a
12 stay. *See Evolutionary Intelligence*, 2013 WL 6672451, at *8; *Cannarella v. Volvo*
13 *Car USA LLC*, 2016 WL 9450451, at *14 (C.D. Cal. Dec. 12, 2016). A stay
14 likely would not prejudice Longitude, a licensor, because monetary damages
15 provide adequate redress for infringement. *See Evolutionary Intelligence*, 2013
16 WL 6672451, at *8. Additionally, there is no risk of irreparable harm because
17 Longitude does not practice the invention. *See id.*

18 Because the Court finds little, if any, risk of undue prejudice to Longitude,
19 the Court declines to balance the parties’ competing interests. Accordingly, this
20 factor favors a stay.

21 IV. DISPOSITION

22 On balance, the factors demonstrate that a stay is appropriate. Thus, the
23 Court hereby **ORDERS** as follows:

- 24 1. WD’s Motion is **GRANTED**.
- 25 2. This action is **STAYED** pending resolution of IPR2023-01200,
26 IPR2023-01230, and IPR2023-01286. Any party may make a motion at any time
27 to modify or vacate the stay, for good cause shown.

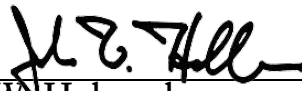
1 3. Within 10 days of the issuance of final written decisions in the
2 pending IPRs, the parties are **DIRECTED** file a joint report providing their
3 collective or respective positions regarding lifting the stay.

4 4. The *Markman* hearing set for April 4, 2024, is **VACATED**.

5 5. The Clerk is **DIRECTED** to close this case administratively.

6 **IT IS SO ORDERED.**

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8 Dated: February 26, 2024



John W. Holcomb
UNITED STATES DISTRICT JUDGE

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