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

14 DOCUMENT SECURITY SYSTEMS,
 15 INC., a New York corporation,

16 Plaintiff,

17 vs.

18 LITE-ON, INC., a California corporation,
 19 and LITE-ON TECHNOLOGY
 20 CORPORATION, a Taiwanese
 corporation,

21 Defendants.

Case No. 2:17-cv-6050-JVS-JCG

**DEFENDANT LITE-ON, INC.’S
 STATEMENT OF NON-
 OPPOSITION AND JOINDER
 TO DEFENDANTS’ MOTION TO
 STAY PENDING *INTER PARTES*
 REVIEW
 [RELATED C.D. CAL. CASE NO.
 8:17-CV-00981-JVS-JCG,
 DKT. NO. 57]**

Date: March 26, 2018
 Time: 1:30 p.m.
 Courtroom: 10C
 Judge: Honorable James V. Selna

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1 Defendant Lite-On, Inc. (“Lite-On”) hereby provides this statement of non-
2 opposition to and joins Defendants Seoul Semiconductor Co., Ltd.’s and Seoul
3 Semiconductor, Inc.’s (collectively, “Seoul’s”) Motion to Stay Pending *Inter Partes*
4 Review, filed in a related case in this District, *Document Security Systems, Inc. v.*
5 *Seoul Semiconductor Co., Ltd., et al.*, Case No. 8:17-cv-00981-JVS-JCG, on
6 February 26, 2018 (Dkt. No. 57).

7 Seoul filed the motion to stay the action against it in view of its recently-filed
8 petitions for *inter partes* review (“IPR”) of all three patents that are also asserted
9 against Lite-On in this action: U.S. Patent Nos. 6,949,771; 7,256,486; and 7,524,087.
10 See IPR2018-00265, IPR2018-00333, and IPR2018-00522, respectively. Thus,
11 although Lite-On has not filed any petitions for review of the three patents-in-suit with
12 the U.S. Patent and Trademark Office (“PTO”), nor is Lite-On a party (or a privy to a
13 party) to any such proceeding, a stay of this proceeding is nevertheless warranted for
14 at least the same reasons set forth in Seoul’s motion to stay.¹ Lite-On therefore does
15 not oppose a stay of these related proceedings and joins Seoul’s motion to stay for the
16 reasons summarized below.

17 First, Plaintiff’s action against Lite-On should be stayed because Seoul’s IPRs
18 are likely to eliminate or simplify issues for trial in this proceeding should the PTO
19 find any or all of the three patents-in-suit invalid. Even in the unlikely event that all
20 claims survive, Plaintiff may also make statements in either its Patent Owner’s
21 Preliminary Response prior to institution, or in its Patent Owner’s Response if any of
22 the three IPRs are instituted, that impact the scope of the asserted patent claims.

23 Second, like Plaintiff’s case against Seoul, Plaintiff’s case against Lite-On is at
24 a very early stage: discovery just began, no depositions have occurred, no claim
25 construction or summary judgment briefs have been filed, and trial is not scheduled to
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27 ¹ By this Statement of Non-Opposition to Seoul’s Motion to Stay, Lite-On does not
28 intend to waive, and hereby expressly preserves, all invalidity arguments raised in its
invalidity contentions served in this action

1 begin for more than 15 months. Granting a stay now would relieve the Court of the
2 burden of considering and deciding the construction of terms in claims that are likely
3 to be modified or cancelled should the IPRs be granted. A stay would also allow the
4 parties to avoid the expense of fact and expert discovery and other case development
5 directed at potentially irrelevant claims.

6 Third, Plaintiff does not practice the claimed inventions and does not compete
7 with Lite-On in the marketplace, and therefore will suffer no undue prejudice from a
8 stay. Thus, Lite-On's requested stay is appropriate at this time and will reduce the
9 burden on the Court and the parties by allowing the PTO to make its determination as
10 to the validity of all three patents-in-suit.

11 Accordingly, to the extent the Court grants the relief requested by Seoul in its
12 motion to stay, Lite-On requests that this action be stayed as well.

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14 Dated: March 9, 2018

Respectfully submitted,
VINSON & ELKINS L.L.P.

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17 By: /s/ Christopher Kao
Christopher Kao
18 *Attorneys for Defendant*
19 *Lite-On, Inc.*
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CERTIFICATE OF SERVICE

The undersigned certifies that on March 9, 2018, the foregoing document was electronically filed with the Clerk of the Court for the UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA, using Court’s Electronic Case Filing (ECF) system. The ECF system routinely sends a “Notice of Electronic Filing” to all attorneys of record who have consented to accept this notice as service of this document by electronic means. Any party not receiving the Court’s electronic notification will be sent a copy of the foregoing document.

Dated: March 9, 2018

By: /s/ Christopher Kao
Christopher Kao