IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

SIPCO LLC, and **IP CO., LLC (d/b/a INTUS IQ)** **Plaintiffs,** **v.** **EMERSON ELECTRIC CO., FISHER-ROSEMOUNT SYSTEMS, INC., and ROSEMOUNT INC.,** **Defendants.**	§ § § § § § § § § § § § §	**Civil Action No. 6:15-CV-907-JRG-KNM**

DEFENDANTS' REPLY IN SUPPORT OF THEIR MOTION TO STAY
THIS ACTION PENDING DISMISSAL OR TRANSFER

Emerson Electric Co., Fisher-Rosemount Systems, Inc., and Rosemount Inc. (collectively "Emerson" or the "Emerson defendants") respectfully file this reply in support of their motion to stay this action pending resolution of their motion to dismiss or transfer this case. (*See* Dkt. 13).

Plaintiffs' SIPCO LLC and IP Co., LLC (collectively, "SIPCO") oppose a stay pending resolution of Emerson's motion to dismiss or transfer because of alleged substantial differences between this case and the first-filed Georgia action. But that is the center of the issue being debated by the parties with respect to the motion to dismiss or transfer. Under SIPCO's logic, the resolution of this motion to stay turns on whether the Court finds that there is substantial overlap between this action and the Georgia action. Thus, under SIPCO's logic, this Court should not decide the motion to stay until it has first decided the motion to dismiss/transfer. But a stay until that issue has been decided is exactly what Emerson seeks by the present motion.

The only other arguable basis for denying the motion to stay provided by SIPCO is the comment that Emerson "abandon[ed] its claims" on some of the SIPCO patents at issue in this

action. This argument makes no sense. When Emerson refiled the Georgia action on only two of the SIPCO patents, it did not waive its right to defend against the other SIPCO patents in the Georgia court. Emerson fully expected that, if SIPCO wanted to assert those other patents, it would do so by including them in a counter-claim in the Georgia action. Litigating all of these related patents asserted against the same accused products in one action minimizes the burden and expense on the parties and the courts. Instead, SIPCO sought to increase the burden and expense by filing a second action involving the same products and same patent families.

The witnesses and discovery in this case will substantially overlap discovery in the Georgia action. The claim construction issues in this case will substantially overlap those in the Georgia action. The invalidity and non-infringement issues also will be substantially the same in the two cases. Because discovery in the Georgia case is proceeding and the parties are engaged in the claim construction process there, conducting discovery and going through the claim construction process here would be substantially duplicative and wasteful. Consequently, this case should be stayed until Emerson's motion to dismiss or transfer is resolved. *See Sanofi-Aventix Deutschland GmbH v. Novo Nordisk, Inc*., 614 F. Supp. 2d 772, 782 (E.D. Tex. 2009) (staying case and granting a conditional transfer until the first-filed forum determined certain issues, including jurisdiction).

The plaintiffs in this case have asserted 11 patents, having a total of 338 patent claims. The sheer number of patents and claims merits consideration. Indeed, plaintiffs here cannot realistically intend to proceed to trial on even a tenth of those claims. Courts, including judges in this District, routinely limit the number of patent claims that can be tried together.[1] Given the

[1] *See, e.g.*, Judge Davis' General Order No. 13-20 regarding patent infringement actions limiting the number of claims that can be asserted at trial to a total of 16 claims.

plaintiffs' decision to assert essentially all of the relevant patents from two different patent families not already at issue in Georgia, it is fair to infer that the plaintiffs asserted this many patents as a strategic move calculated to improve their chances of forcing a venue change. Plaintiffs will obviously limit the number of patents and claims asserted at some future point, after the venue issue has been resolved. Forcing discovery as to all thirteen patents (discovery in the Georgia action is already on-going) in the interim will prove just plain wasteful.

Dated: January 26, 2016

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 26th day of January, 2016, a true and correct copy of the foregoing document has been served via the Court's ECF system to all counsel of record.

/s/ Melissa R. Smith
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