

Erik Dykema (NJ Bar No. 021652010)
erik@kzllp.com
Koning Zollar LLP
4 Manheim Road
Essex Fells, New Jersey 07021
T: 858.252.3234
F: 858.252.3238

Drew Koning (*pro-hac vice*)
drew@kzllp.com
Blake Zollar (*pro-hac vice*)
blake@kzllp.com
Koning Zollar LLP
169 Saxony Road, Ste. 115
Encinitas, CA 92024
T: 858.252.3234
F: 858.252.3238

ATTORNEYS FOR PLAINTIFF
OANDA Corporation

Shaun Paisley (*pro-hac vice*)
shaun@kzllp.com
Koning Zollar LLP
470 James Street, Suite 007
New Haven, CT 06513
T: 203.951.1213
F: 858.252.3238

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

OANDA Corporation,

Plaintiff,

v.

GAIN Capital Holdings, Inc.;
GAIN Capital Group, LLC.

Defendants.

Civil Action No. 3:20-cv-5784

Judge: Hon. Brian Martinotti

Motion Date: October 19, 2020

OANDA'S BRIEF IN OPPOSITION TO
DEFENDANTS' MOTION TO STAY (DKT. 34)

TABLE OF CONTENTS

I. INTRODUCTION 1

II. ARGUMENT..... 2

 A. THE MOTION TO STAY SHOULD BE DENIED AS PREMATURE IN LINE WITH THE “MAJORITY” POSITION ADOPTED BY THIS COURT AND OTHER NEW JERSEY FEDERAL DISTRICT COURTS. 2

 B. APPLICATION OF THE AIA FACTORS CONFIRMS THAT THE MOTION TO STAY SHOULD BE DENIED HERE..... 3

 1. Before the PTAB’s institution decision, whether a stay will simplify the issues is pure speculation, and this factor thus weighs against a stay..... 4

 2. While the case is in its relatively early stages, that is because of GAIN’s repeated attempts to stall the litigation..... 6

 3. A stay would unduly prejudice OANDA, a direct competitor of GAIN..... 7

 4. It is speculative as to whether a stay will reduce the burden of litigation on the parties and on the Court. 7

III. CONCLUSION 8

TABLE OF AUTHORITIES

	Page(s)
Cases	
<i>Cordis v. Abbott Labs.</i> , Nos. 07-2265 (JAP), 2009 WL 8591527 (D.N.J. Feb. 3, 2009)	7
<i>Derma Scis., Inc. v. Manukamed Ltd.</i> , No. 12-3388 (JAP), 2013 WL 6096459 (D.N.J. July 18, 2013)	3, 4
<i>DiCon Fiberoptics, Inc. v. Preciseley Microtech. Corp.</i> , No. 15-cv-01362-BLF, 2015 WL 12859346 (N.D. Cal. Oct. 13, 2015).....	4
<i>Loyalty Conversion Sys. Corp. v. Am. Airlines, Inc.</i> , No. 2:13-CV-655, 2014 WL 3736514 (E.D. Tex. July 29, 2014)	2
<i>Nasdaq, Inc. v. Miami Int'l Holdings, Inc.</i> No. 17-6664-BRM-DEA, 2018 WL 3814280 (D.N.J. Aug. 10, 2018)	<i>passim</i>
<i>Nasdaq, Inc. v. IEX Grp., Inc.</i> No. 18-3014 (BRM)(DEA), 2019 WL 8268544 (D.N.J. Sept. 13, 2019)	3
<i>Nippon Steel & Sumito Metal Corp. v. POSCO</i> , No. 12-2429 (DMC), 2013 WL 1867042 (D.N.J. May 2, 2013).....	7
<i>Oy Ajat, Ltd. v. Vatech Am., Inc.</i> , No. 10-4875 (PGS), 2012 WL 1067900 (D.N.J. Mar. 29, 2012).....	3
<i>Robbins v. H.H. Brown Shoe Co.</i> , No. 08 CIV. 6885(WHP), 2009 WL 2170174 (S.D.N.Y. June 30, 2009)	5
<i>Roy-G-Biv Corp. v. Fanuc Ltd.</i> , No. 2:07-cv-418 (DF), 2009 WL 1080854 (E.D. Tex. Apr. 14, 2009).....	4
<i>Straight Path IP Grp., Inc. v. Vonage Holdings Corp.</i> , No. 14-502 (JLL)(JAD), 2014 WL 4271633 (D.N.J. Aug. 28, 2014)	2, 3
<i>Viskase Corp. v. Am. Nat'l Can Co.</i> , 261 F.3d 1316 (Fed. Cir. 2001).....	3
Statutes	
America Invents Act (125 Stat. 284 (2011)).....	4
Other Authorities	
Office Patent Trial Practice Guide, 77 Fed. Reg. 48756 (Aug. 14, 2012).....	1

I. INTRODUCTION

Having previously asked the Magistrate to stay discovery on the basis of having filed a questionable Rule 12(b)(6) motion to dismiss, GAIN now advances a new theory for delaying the litigation: that the entire lawsuit should be stayed because GAIN has filed a petition for covered business method (“CBM”) review before the U.S. Patent Trial and Appeal Board (“PTAB”). The mere filing of a petition for CBM review, however, does not justify bringing this litigation to a standstill.

CBM proceedings are initiated “with the filing of a petition that identifies all of the claims challenged and the grounds and supporting evidence on a claim-by-claim basis,” and the patentee then has three months to file a preliminary response to the petition. Office Patent Trial Practice Guide, 77 Fed. Reg. 48756-7 (Aug. 14, 2012). The PTAB will then “determine whether to institute a trial within three months of the date the patent owner’s preliminary response was due or was filed, whichever is first.” *Id.* Here, with GAIN having filed its petitions for CBM review on September 14 and 15, 2020, OANDA’s preliminary response is not due until the end of December 2020, and the PTAB will not reach a decision on whether to institute review of the patents at issue until late March 2021. GAIN’s request for a stay is thus based on nothing more than speculation about whether the PTAB will—six months from now—decide to actually hear this matter.

While one would not know it from reading GAIN’s motion, courts in this District have consistently rejected efforts to stay litigation based upon the mere filing of a petition for CBM review. In *Nasdaq, Inc. v. Miami Int’l Holdings, Inc.*, for example, when faced with an almost identical procedural posture, this Court denied a motion to stay litigation following the filing of a petition for CBM review, holding that the “proper course” was “to defer ruling on the motion to stay until the PTAB has made its decision whether to grant the petition for CBM review.” No. 17-6664-BRM-DEA, 2018 WL 3814280, at *3 (D.N.J. Aug. 10, 2018) (“*Nasdaq*”).

There is no principled reason why this Court should reach a different result here. GAIN's motion to stay should be denied, and when the PTAB makes its institution decision, GAIN may, if appropriate, refile its motion.

II. ARGUMENT

A. The Motion to Stay Should be Denied as Premature in Line With The "Majority" Position Adopted by this Court and Other New Jersey Federal District Courts.

At the outset, OANDA notes a telling omission from GAIN's motion—any explanation of how the motion is not premature until and unless the PTAB decides to institute the CBM petitions. GAIN attempts to gloss over this issue by claiming that "many courts" grant stays prior to institution of a CBM review, citing a handful of decisions from outside this District. (Dkt. No. 34-1 ("Motion" or "Mot.") at 14-15.) But, in what is becoming a habit (*see* Dkt. No. 32 at 8-9, 13), GAIN's description of the state of the law is at best selective and at worst misleading. While cobbling together decisions from a scattering of courts, GAIN neglects to inform this Court that the "majority" position among federal courts is to "postpone[] ruling on stay requests or . . . den[y] [the] stay request[] when the PTAB has not yet acted on the petition for review." *See Loyalty Conversion Sys. Corp. v. Am. Airlines, Inc.*, No. 2:13-CV-655, 2014 WL 3736514, at *1 (E.D. Tex. July 29, 2014). GAIN also neglects to mention that this is not only the majority position nationwide, but it is also the consistent position taken by courts in *this District*, including *this Court*. *See Nasdaq*, 2018 WL 3814280, at *3 (this Court holding that the "proper course to follow" when the PTAB has yet to make its institution decision is to deny the motion to stay)¹; *see also Straight Path IP Grp., Inc. v. Vonage Holdings Corp.*, No. 14-502 (JLL)(JAD), 2014 WL

¹ GAIN attempts to distinguish *Nasdaq* by pointing out that plaintiffs in that case had alleged additional claims on top of the patent infringement. (Mot. at 16.) In *Nasdaq*, however, this Court did not weigh that factor heavily noting that "[s]hould CBM review be granted, it undoubtedly could narrow the number of issues to be litigated," including the trade secret claims. *Nasdaq, Inc.*, 2018 WL 3814280, at *3. But the more cogent point was that, like here, "a debate regarding potential issue simplification is *entirely hypothetical* at this stage." *Id.* (emphasis added).

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.