

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No.	CV 16-3714-GW (AGRx)	Date	October 5, 2017
Title	<i>The California Institute of Technology v. Broadcom Limited, et al.</i>		

Present: The Honorable GEORGE H. WU, UNITED STATES DISTRICT JUDGE

Javier Gonzalez

Katie Thibodeaux

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Todd M. Briggs  
James R. Asperger

James P. Dowd  
Aaron Thompson  
Mark D. Selwyn

**PROCEEDINGS: DEFENDANTS' RENEWED MOTION TO STAY PENDING INTER PARTES REVIEW [222]**

The Court's Tentative Ruling is circulated and attached hereto. Court hears oral argument. For reasons stated on the record, Defendants' Motion is TAKEN UNDER SUBMISSION. Court to issue ruling.

Initials of Preparer JG : 16

*The California Institute of Technology v. Broadcom Limited et al.*; Case No. 2:16-cv-03714-GW-(AGRx)  
Tentative Ruling on Renewed Motion to Stay the Case Pending Inter Partes Review

On May 26, 2016, Plaintiff The California Institute of Technology commenced this action for patent infringement against Defendants Broadcom Limited, Avago Technologies Limited, Broadcom Corporation, Apple Inc. (“Apple”), and Cypress Semiconductor. *See* Docket No. 1; First Amended Complaint (“FAC”), Docket No. 36. Plaintiff claims that Defendants infringe the following patents: (1) U.S. Patent No. 7,116,710 (“the ’710 Patent”); (2) U.S. Patent No. 7,421,032 (“the ’032 Patent”); (3) U.S. Patent No. 7,916,781 (“the ’781 Patent”); and (4) U.S. Patent No. 8,284,833 (“the ’833 Patent”) (collectively, the “Asserted Patents”). *See* FAC ¶¶ 2–4. Defendants have raised several defenses, including invalidity and non-infringement of the Asserted Patents. *See generally* Docket Nos. 47, 60.

In February 2017, Defendants moved to stay this action pending resolution of *inter partes* review (“IPR”) petitions filed by Apple with the Patent Trial and Appeal Board (“PTAB”). The Court denied Defendants’ motion without prejudice in March 2017. Docket No. 118. Meanwhile, litigation in this case proceeded forward. As of the date of this Order, over 100 new entries have been added to the docket. These include numerous discovery disputes as well as briefing, hearings, and orders on claim construction and summary judgment. For example, the Court heard Defendants’ Motion to Dismiss for Summary Judgment under § 101 (Docket 171) and Defendants’ Motion to Disqualify Plaintiff’s Expert (Docket No. 171, 185) in April and May 2017. The Court also held a Claim Construction Tutorial Hearing with the parties on June 15, 2017 (Docket No. 198) followed by a *Markman* Hearing on June 29, 2017 (Docket No. 207).

Between June 30, 2017 and September 14, 2017, the PTAB granted Apple’s IPR petitions as to some of the asserted claims in three of the four asserted patents. *See* IPR 2017-00219, Paper 17; PTAB No. IPR 2017-00211, Paper 17; PTAB No. IPR 2017-00210, Paper 18; PTAB No. IPR 2017-00297, Paper 16; PTAB No. IPR 2017-00423, Paper 16; PTAB No. IPR2017-00700, Paper 14; PTAB No. IPR2017-00701, Paper 14; PTAB No. IPR2017-00728, Paper 14.

On August 28, 2017 Defendants filed a Renewed Motion to Stay the Case Pending IPR. *See* Renewed Motion to Stay (“Renewed Motion”), Docket No. 222; *see also* Defs.’ Mem. in Supp. of the Motion (“Memo”), Docket No. 222-1. After Defendants had filed their Renewed Motion, the PTAB denied institution of all claims of the ’833 Patent. *See* IPR 2017-00702; IPR No. 2017-00703.

Courts have discretion to control their dockets and ensure that their cases are managed in the interest of justice. *See Clinton v. Jones*, 520 U.S. 681, 706 (1997) (“[T]he District Court has broad discretion to stay proceedings as an incident to its power to control its own docket.”). In deciding whether to stay an action pending an IPR, a court’s discretion is typically guided by three factors: “(1) whether discovery is complete and whether a trial date has been set; (2) whether a stay will simplify the issues in question and trial of the case; and (3) whether a stay would unduly prejudice or present a clear tactical disadvantage to the nonmoving party.” *Aten Int’l Co., Ltd v. Emine Tech. Co., Ltd.*, No. SACV 09-0843 AG (MLGx), 2010 WL 1462110, at

\*6 (C.D. Cal. Apr. 12, 2010) (quoting *Telemac Corp. v. Teledigital, Inc.*, 450 F. Supp. 2d 1107, 1111 (N.D. Cal. 2006)); *Murata Machinery*, 830 F.3d at 1361; see also *Semiconductor Energy Lab. Co., Ltd. v. Chimei Innolux Corp.*, No. SACV 12-0021 JST (JPRx), 2012 WL 7170593, at \*1 & n.1 (C.D. Cal. Dec. 19, 2012) (stating that the same three-factor framework for staying the case applies regardless of whether a request for reexamination or an IPR is pending); Peter S. Menell et al., Fed. Judicial Ctr., *Patent Case Management Judicial Guide* (“Menell”) § 2.2.6.4.2 (3d ed. 2016). The inquiry, however, is not limited to these factors and “the totality of the circumstances governs.” *Allergan Inc. v. Cayman Chem. Co.*, No. SACV 07-01316 JVS (RNBx), 2009 WL 8591844, at \*2 (C.D. Cal. Apr. 9, 2009) (citation omitted).

Although trial is not set until June 2018, the significant litigation activity that has already occurred in this case warrants against a stay. In addition, fact discovery is set to close on October 13, 2017 and the parties are quickly moving into the expert discovery stages. While “significant work, including expert discovery and summary judgment, remains . . . the stage of the case weighs against a stay.” *Fontem Ventures, V.B. v. NJOY, Inc.*, CV 14-1645-GW-(MRWx), Docket No. 211, at \*3 (C.D. Cal. June 29, 2015).

More importantly, 27 claims in this case, including all the asserted claims of the ’833 Patent, are not subject to IPR proceedings. No matter the outcome of the IPR proceedings, a trial will still be necessary as to a significant number of the parties’ disputes. See *Fontem Ventures*, CV 14-1645-GW-(MRWx), Docket No. 211, at \*5. Furthermore, as Plaintiff notes (and Defendants do not address on reply), at least one of the Defendants has not agreed to the full statutory estoppel provisions for the IPRs. Given the various competing factors, the Court finds this factor weighs slightly against a stay.

As to prejudice, most of Plaintiff’s arguments about prejudice relate to considerations that would be present in almost any case, such as the passage of time before the PTAB (and Federal Circuit) resolves the IPRs and general concerns about the diminishing “quality and quantity of evidence” due to that passage of time. Docket No. 232 at 12–14. However, the Court acknowledges Defendants’ statement that “several Broadcom employees have left the company recently due to organizational changes . . . [and] relevant witnesses for this case may no longer be available when the IPRs complete.” *Id.* at 13. Moreover, the parties have actively engaged in significant litigation disputes in this matter since Defendants filed their original Motion to Stay. This time and expense would lead to at least some prejudice to Plaintiff if a stay was granted. Overall, the Court finds this factor is at best neutral in the stay analysis.

While the prejudice factor is neutral at best, both the advanced stage of the proceedings and the simplification of the issues weigh against a stay. In considering the totality of the circumstances, including the significant entries on the docket in this case, the Court exercises its discretion in DENYING Defendants’ Renewed Motion for Stay.