

“District courts typically consider three factors when determining whether to grant a stay pending *inter partes* review of a patent in suit: (1) whether the stay will unduly prejudice the nonmoving party, (2) whether the proceedings before the court have reached an advanced stage, including whether discovery is complete and a trial date has been set, and (3) whether the stay will likely result in simplifying the case before the court.” *NFC Techs. LLC v. HTC Am., Inc.*, Case No. 2:13-cv-1058-WCB, 2015 WL 1069111, at *2 (E.D. Tex. Mar. 11, 2015) (Bryson, J.). “Based on th[ese] factors, courts determine whether the benefits of a stay outweigh the inherent costs of postponing resolution of the litigation.” *Id.*

On July 7, 2020, Defendants filed IPR petitions with the Patent and Trademark Office (“PTO”), challenging the patentability of all asserted claims of U.S. Patent Nos. 9,153,835; 9,496,581; 9,799,858; and 9,799,913 (collectively, the “Asserted Patents”). (Dkt. No. 64 at 1). The Patent Trial and Appeal Board (“PTAB”) should provide a decision regarding whether or not to institute review by or before January 7, 2021. (*See id.* at 2). Where a motion to stay is filed before the PTAB institutes any proceeding, courts often withhold a ruling pending action on the petition by the PTAB or deny the motion without prejudice to refiling in the event that the PTAB institutes a proceeding. *VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d 1307, 1316 (Fed. Cir. 2014) (citing *Checkfree Corp. v. Metavante Corp.*, No. 12-cv-15, 2014 WL 466023, at *1 (M.D. Fla. Jan. 17, 2014)); *see also NFC Techs.*, 2015 WL 1069111, at *6. Indeed, this Court has a consistent practice of denying motions to stay when the PTAB has yet to institute post-grant proceedings. *Trover Group, Inc. v. Dedicated Micros USA*, No. 2:13-cv-1047-WCB, 2015 WL 1069179, at *6 (E.D. Tex. Mar. 11, 2015) (Bryson, J.) (“This Court’s survey of cases from the Eastern District of Texas shows that when the PTAB has not yet acted on a petition for *inter partes* review, the courts have uniformly denied motions for a stay.”).

Considering these circumstances, the Court concludes that the Defendants' motion is premature, and a stay of these proceedings in advance of the PTAB's decision on whether or not to grant the petition for *inter partes* review is not appropriate. Accordingly, Defendants' Motion to Stay (Dkt. No. 64) is **DENIED**, but this denial is entered **WITHOUT PREJUDICE** to refile of the same, which shall be permitted within 14 days following the PTAB's institution decision regarding the last of the patents-in-suit to be acted upon by the PTAB.

So Ordered this

Oct 6, 2020



RODNEY GILSTRAP
UNITED STATES DISTRICT JUDGE