

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
WACO DIVISION

KERR MACHINE CO.,

Plaintiff,

v.

VULCAN INDUSTRIAL HOLDINGS,  
LLC, VULCAN ENERGY SERVICES,  
LLC, and CIZION, LLC d/b/a VULCAN  
INDUSTRIAL MANUFACTURING,  
LLC

Defendants.

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CIVIL ACTION NO. 6:20-CV-200-ADA

JURY TRIAL DEMANDED

**DEFENDANTS' OPPOSED MOTION TO STAY LITIGATION  
PENDING THE OUTCOME OF THE PENDING  
POST-GRANT REVIEW PROCEEDING  
BEFORE THE PATENT TRIAL AND APPEAL BOARD**

**TABLE OF CONTENTS**

A STAY IS UNIQUELY APPROPRIATE IN THIS CASE.....3

I. Certification Pursuant To W.D. Tex. Local R. CV-7(i).....3

II. *All Of The '070 Patent's Claims Are Likely To Be Cancelled By The PTAB* .....3

III. Congress Specifically Created PGRs To Permit Early Patent Challenges  
*Before Protracted Litigation Ensues* .....6

IV. *All Of The Traditional Factors Strongly Favor A Stay Here*.....8

A. A stay will not unduly prejudice or tactically disadvantage Kerr.....8

1. Vulcan filed its PGR petition almost immediately after  
Kerr filed this lawsuit.....8

2. Vulcan filed this motion soon after Vulcan filed its PGR petition .....9

3. Staying this case now will avoid duplicating the most burdensome  
stages of the litigation .....9

4. Kerr has many competitors in the fluid end industry.....9

B. This case is still in its very early stages .....10

C. A stay will greatly simplify the issues in this lawsuit.....10

## TABLE OF AUTHORITIES

### Cases

<i>RetailMeNot Inc. v. Honey Sci. LLC</i> , C.A. No. 18-937-CFC-MPT, 2020 WL 373341 (D. Del. Jan. 23, 2020).....	8, 10
<i>SAS Inst., Inc. v. Iancu</i> , 138 S. Ct. 1348 (2018) .....	10
<i>SZ DJI Tech. Co. v. Yuneec Int'l Co.</i> , No. CV 16-0595-BRO (KKX), 2016 WL 9114148 (C.D. Cal. Dec. 1, 2016) .....	10
<i>Tinnus Enters. LLC v. Telebrands Corp.</i> , No. 6:15-cv-551-RC-JDL, 2017 WL 379471 (E.D. Tex. Jan. 24, 2017).....	8, 10

### Statutes

35 U.S.C. § 311(b).....	7
35 U.S.C. § 314.....	7
35 U.S.C. § 315(b).....	7
35 U.S.C. § 315(e)(1).....	7
35 U.S.C. § 324(a) .....	7
35 U.S.C. § 324(c) .....	9
35 U.S.C. § 325(e)(2).....	7
35 U.S.C. § 326(a)(11).....	9

### Other Authorities

157 Cong. Rec. S1323-S1326.....	6, 8
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### Rules

W.D. Tex. Local R. CV-7(i) .....	3
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The unique circumstances here are likely a case of first impression for the Court.

First, the sole asserted '070 patent issued on March 17, 2020, and Kerr filed this lawsuit two (2) days later. Defendants quickly determined that most of the claims of the '070 patent are unambiguously anticipated by each of three separate prior art references that had not been considered by the USPTO, and all of the patent's claims are very likely to be cancelled in their entirety by the PTAB. For example, Claim 1 of the '070 patent reads identically on Blume '097:

Asserted '070 Patent	Prior Art – Blume '097 Patent
<p>FIG. 17</p>	<p>Figure 13</p> <p>Figure 12B</p>
<p>1. A method of manufacturing the fluid end assembly, comprising:</p> <ul style="list-style-type: none"> <li>providing a housing having a <b>first conduit</b> extending therethrough, and a <b>second conduit</b> extending therethrough that intersects the first conduit;</li> <li>forming an <b>endless groove</b> in the housing such that the groove surrounds the second conduit;</li> <li>positioning a <b>seal</b> within the groove;</li> <li>installing a <b>tubular sleeve</b> within the second conduit such that at least a portion of the sleeve engages with the seal;</li> <li>installing a <b>plurality of packing seals</b> within the sleeve; and</li> <li>installing a <b>reciprocating plunger</b> at least partially within the sleeve and the plurality of packing seals.</li> </ul>	

Ex. 1 (PGR Petition) at 10, 39-41, & 52-59.

Second, the pending PTAB proceeding is a relatively uncommon Post-Grant Review (“PGR”), which is uniquely different from the far more routine Inter Partes Review (IPR) proceedings. Because PGRs are only permitted shortly after a patent issues, Congress intended for these just-issued patents to be reevaluated by the PTAB *before* “expensive litigation.”:



# Congressional Record

PROCEEDINGS AND DEBATES OF THE 112<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 157

WASHINGTON, MONDAY, MARCH 7, 2011

No. 33

## Senate

MONDAY, MARCH 7, 2011

**S1326** CONGRESSIONAL RECORD—SENATE *March 7, 2011*

Other reforms included in the bill will improve the quality of U.S. patents over the long term. The bill creates a new post-grant review of patents, which can be sought within the first 9 months after the patent is issued and used to raise any challenge to the patent. This will allow invalid patents that were mistakenly issued by the PTO to be fixed early in their life, before they disrupt an entire industry or result in expensive litigation.

Ex. 2 (157 Cong. Rec. S1309, S1323-S1326) at S1309 & S1326 (emphases added). In addition, the estoppel effects for PGRs are significantly broader than they are for IPRs. Thus, the policy in favor of staying parallel litigation is considerably stronger for PGRs than for IPRs.

Third, *all* of the relevant factors support a stay in this case. The only accused product in the case – the ICON EVO product – is no longer being manufactured or sold. Kerr will not be

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