

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE

ECOBEE, INC.,)	
)	
Plaintiff,)	
)	
v.)	C.A. No. 21-323 (MN)
)	
ECOFACOR, INC.,)	
)	
Defendant.)	

ORDER

At Wilmington, this 21st day of September 2021,

Defendant, EcoFactor, Inc. (“EcoFactor”) has moved to stay ecobee, Inc.’s (“ecobee”) declaratory judgment action pending resolution of the current proceedings before the United States International Trade Commission (“ITC”) involving the same parties, the same asserted patents, the same accused products, and the same infringement and validity issues. (D.I. 13).

Although the requested stay is the result of an ITC proceeding, the mandatory stay of 28 U.S.C. § 1659 does not apply as the respondent in the ITC (*i.e.*, ecobee) is not seeking a stay. Thus, staying this case is subject to the Court’s discretion. *Ethicon, Inc. v. Quigg*, 842 F.2d 1422, 1426-27 (Fed. Cir 1988). In exercising this discretion, the Court must weigh the competing interests of the parties and attempt to maintain an even balance. *See Landis v. N. Am. Co.*, 299 U.S. 248, 255 (1936). The factors courts typically consider include: (1) whether a stay will simplify the issues and trial of the case, (2) whether discovery is complete and a trial date has been set, and (3) whether a stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party. *Novartis AG v. HEC Pharm Co.*, 183 F. Supp. 3d 560, 562 (D. Del. 2016).

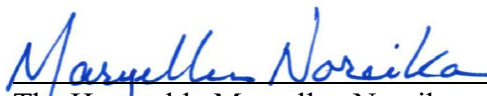
Here, the factors, on balance, favor denying the motion to stay. Although the case is at its relatively early stages and involves some overlapping issues with the ITC, there are also a number

of different issues between the two actions. For example, ecobee’s declaratory judgment action is not limited to the products accused of infringement in the ITC action. In addition, this action involves questions of damages that are not present in the ITC, and the ITC action involves questions of “domestic industry” and remedies that are inapplicable here. Moreover, given the pace at which the ITC proceedings will likely move, it seems that many of the benefits from having the ITC record that EcoFactor relies on will be achieved even absent a stay. Thus, it is unclear that the stay will substantially simplify this case.

Moreover, the Court agrees with ecobee, that the factors should be viewed in context. Here, EcoFactor has commenced approximately two dozen patent infringement proceedings in numerous venues, and as of the time of this motion was litigating at least three other matters (*i.e.*, the ITC action and two Western District of Texas matters) against ecobee in forums chosen by EcoFactor – several of which apparently involve the same or related patents as the patents in this case. The considerations of efficiency, duplication, undue burdens or overlapping issues were not issues for EcoFactor in connection with those actions. And EcoFactor’s willingness to engage in multiple somewhat related proceedings in different venues casts significant doubt on any assertions of prejudice.

In light of the above, IT IS HEREBY ORDERED that EcoFactor’s motion to stay is DENIED.

IT IS FURTHER ORDERED that, on or before October 5, 2021, the parties shall submit a revised proposed Scheduling Order.


The Honorable Maryellen Noreika
United States District Judge