

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION

SLYDE ANALYTICS LLC,

Plaintiff,

v.

SAMSUNG ELECTRONICS CO., LTD. and
SAMSUNG ELECTRONICS AMERICA,
INC.,

Defendants.

Case No. 2:23-cv-00083-RWS-RSP

JURY TRIAL DEMANDED

SAMSUNG ELECTRONICS CO. LTD. AND SAMSUNG ELECTRONICS AMERICA,
INC.'S MOTION TO STAY UNTIL CONCLUSION OF PTAB PROCEEDINGS
RELATING TO THE PENDING PETITIONS FOR *INTER PARTES* REVIEW

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I. INTRODUCTION

Defendants Samsung Electronics Co., Ltd. and Samsung Electronics America, Inc. (collectively, “Samsung”) respectfully move to stay this case until conclusion of the Patent Trial and Appeal Board (“PTAB”) proceedings relating to the pending petitions for *inter partes* reviews (“IPR”) of the patents-in-suit. Samsung has filed IPR petitions challenging every claim of every asserted patent and now moves for a stay to conserve the Court’s and parties’ resources. Neither the Court nor Samsung should expend resources on motions, fact and expert discovery, claim construction, summary judgment, pre-trial, and trial, when the PTAB is poised to expeditiously invalidate the asserted patents.

Courts typically find circumstances similar to those presented here to favor a stay. First, a stay will not unduly prejudice Slyde Analytics LLC (“Slyde”), because monetary damages would adequately compensate Slyde for any alleged infringement. Second, this case is in its earliest stages. In fact, Samsung filed IPR petitions on each of the four asserted patents before serving its invalidity contention or any claim construction exchanges in this case. Third, the IPRs are likely to simplify the issues in this case, if not dispense with it entirely, because Samsung has challenged every claim of every asserted patent. A stay pending the IPRs’ resolution is, therefore, warranted.

II. BACKGROUND

Slyde filed its Complaint on February 28, 2023, alleging that Samsung-branded wristwatches with a digital display infringe four patents. Dkt. 1. Between October 9, 2023 and November 2, 2023, Samsung filed IPR petitions challenging every claim of each of the four patents-in-suit, collectively challenging the validity of 68 claims:

Patent-in-Suit	IPR No.	Date Filed
8,588,033	IPR2024-00006	October 16, 2023

9,651,922	IPR2024-00002	October 9, 2023
9,804,678	IPR2024-00040	November 2, 2023
10,198,085	IPR2024-00041	November 2, 2023

III. ARGUMENT

“[The] district court has the inherent power to control its own docket, including the power to stay proceedings.” *Vill. Green Techs., LLC v. Samsung Elecs. Co., Ltd.*, No. 2:22-CV-00099-JRG, 2023 WL 416419, at *1 (E.D. Tex. Jan. 25, 2023) (quoting *Clinton v. Jones*, 520 U.S. 681, 706 (1997)). In doing so, the court “must weigh competing interests and maintain an even balance.” *Id.* (quoting *Landis v. N. Am. Co.*, 299 U.S. 248, 254–55 (1936)). When deciding whether to stay a case pending IPR proceedings, courts in this District consider “(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.” *Id.* (quoting *NFC Tech. LLC v. HTC Am., Inc.*, No. 2:13-cv-1058-WCB, 2015 WL 1069111, at *2 (E.D. Tex. Mar. 11, 2015)). “Based on th[ese] factors, courts determine whether the benefits of a stay outweigh the inherent costs of postponing resolution of the litigation.” *Id.* Each of the three factors weighs in favor of granting a stay in this case.

A. Slyde Will Not Suffer Undue Prejudice.

“[W]hether the patentee will be *unduly prejudiced* by a stay in the district court proceedings . . . focuses on the patentee’s need for an expeditious resolution of its claim.” *VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d 1307, 1318 (Fed. Cir. 2014) (emphasis in original). Here, Slyde would not suffer undue prejudice from a stay because it does not compete with Samsung and can

receive monetary relief sufficient to compensate for the alleged injuries. Slyde does not appear to have any business operations aside from maintaining and asserting a patent portfolio. *See NFC Tech.*, 2015 WL 1069111, at *3 (finding that “generalized claim of injury is entitled to little weight” where plaintiff “does not compete with [defendant] and [] monetary relief will be sufficient to compensate it for any injury to its patent rights”); *Uniloc 2017 LLC v. LG Elecs. U.S.A., Inc.*, No. 3:18-CV-3071-N, 2020 WL 374545, at *1 (N.D. Tex. Jan. 23, 2020) (“While ‘competition between parties can weigh in favor of finding undue prejudice,’ Uniloc and Defendants are not competitors.”) (quoting *VirtualAgility*, 759 F.3d at 1318).

Moreover, in the event that Slyde is ultimately found to be entitled to some relief, it can be adequately compensated through monetary damages. Notably, a “stay will not diminish the monetary damages to which [Slyde] will be entitled if it succeeds in its infringement suit—it only delays realization of those damages.” *VirtualAgility*, 759 F.3d at 1318–19; *see also NFC Tech.*, 2015 WL 1069111, at *2 (explaining that “delay in the vindication of patent rights” is “present in every case in which a patentee resists a stay, and it is therefore not sufficient, standing alone, to defeat a stay motion”).

On the other hand, Samsung faces undue prejudice if a stay is not granted. Without a stay, Samsung will incur significant litigation expenses defending itself against allegations based on the four patents-in-suit when those allegations may be mooted or materially altered both by the outcome of the IPRs and representations Slyde may make during their pendency. Especially at this early stage of the litigation, a stay will benefit both parties by allowing them to take advantage of the IPR process and its creation of “a more efficient and streamlined patent system [to] improve patent quality and limit unnecessary and counterproductive litigation costs.” U.S. Patent and Trademark Office, *Changes to Implement Inter Partes Review Proceedings, Post-Grant*



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