

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

UNITED SERVICES AUTOMOBILE
ASSOCIATION,

Plaintiff,

v.

TRUIST BANK,

Defendant.

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CIVIL ACTION NO. 2:22-cv-00291-JRG-RSP

ORDER

Before the Court, plaintiff United Services Automobile Association (“USAA”) moves for leave to file a first amended complaint to assert U.S. Patent No. 11,544,944, Dkt. No. 67, and for leave to file a second amended complaint to assert U.S. Patent No. 11,625,770, Dkt. No. 84, and Truist Bank moves for leave to file a second amended answer and counterclaims to assert U.S. Patent Nos. 7,283,644 and 7,899,210, Dkt. No. 89. Having considered the motions, each is **GRANTED**.

I. Legal Standard

In considering whether to deny a motion for leave to amend, the court considers the following five factors: “1) undue delay, 2) bad faith or dilatory motive, 3) repeated failure to cure deficiencies by previous amendments, 4) undue prejudice to the opposing party, and 5) futility of the amendment.” *Smith v. EMC Corp.*, 393 F.3d 590, 595 (5th Cir. 2004). “If any one of these factors applies, leave may be withheld.” *Bingham v. Jefferson Cnty., Tex.*, No. 1:11-CV-48, 2011 WL 13152490, at *2 (E.D. Tex. July 15, 2011) (emphasis added).

Granting leave under Federal Rule of Civil Procedure 15(a) “is by no means automatic.” *Wimm v. Jack Eckerd Corp.*, 3 F.3d 137, 139 (5th Cir. 1993) (citing *Addington v. Farmer's*

Elevator Mut. Ins. Co., 650 F.2d 663, 666 (5th Cir. 1981)). The “generous standard [under Rule 15(a)] is tempered by the necessary power of a district court to manage a case.” *Schiller v. Physicians Res. Grp. Inc.*, 342 F.3d 563, 566 (5th Cir. 2003).

II. USAA’s Motion for Leave to File a First Amended Complaint

In response to the USAA’s motion for leave to file a first amended complaint, Dkt. No. 67, to assert U.S. Patent No. 11,544,944 (“the ‘944 patent”). Defendant Truist Bank impliedly consents subject to the Court’s grant of Truist’s motion for leave to file an amended answer and counterclaim at docket entry 57. Dkt. No. 72 ECF p 4. Specifically, Truist states:

At the outset, Truist recognizes that a motion for leave filed before the Court’s deadline in the Docket Control Order is subject to the liberal standard for amendment under Rule 15(a)(2). (Dkt. 57 at 2.) That deadline, in June 2023, has not yet passed. Under this standard, *both Truist’s Motion for Leave*[, Dkt. No. 57,] *and USAA’s subsequent Motion for Leave*[, Dkt. No. 67,] *should be granted*. Perhaps recognizing this, USAA devotes much of its brief to opposing the inclusion of Truist’s counterclaims in the case, rather than advocating for the addition of its own patent. USAA’s position appears to be premised on a double standard: that one rule should apply to Truist’s motion, while another should apply to its own motion. But USAA cannot have it both ways. *Under the standard that USAA seeks to apply to its own motion—and indeed, the standard under the Federal Rules—both motions for leave should be granted.*

Id. (emphasis added). Considering that representation and the subsequent grant of Truist’s motion for leave, Dkt. No. 76, USAA’s motion for leave to file a first amended complaint, Dkt. No. 67, is **GRANTED**.

III. USAA’s Motion for Leave to File a Second Amended Complaint

USAA also moves for leave to file a second amended complaint, Dkt. No. 84, to assert U.S. Patent No. 11,625,770 (“the ‘770 patent”). On April 11, 2023, the Patent Office issued the ‘770 patent, which like the other patents in suit including the ‘944 patent is generally directed to systems and methods for the remote deposit of checks. Compare the ‘770 patent, with the ‘944

patent, U.S. Patent Nos. 10,482,432 (“the ’432 Patent”), 11,182,753 (“the ’753 Patent”), and 9,818,090 (“the ’090 Patent”). After investigating potential claims of infringement and on April 28, 2023, USAA informed Truist’s of USAA’s intent to seek leave to assert the ’770 patent. The motion was filed on May 3, 2023, Dkt. No. 84, and the deadline for filing amended pleadings is June 16, 2023, Dkt. No. 43.

While Truist may have preferred that USAA inform Truist of the potential assertion of the ’770 patent when the underlying application received a notice of allowance, Dkt. No. 93 ECF pp 7-8, the Court is not convinced that USAA’s delay is undue or in bad faith in light of the deadline to file amended pleadings. As to prejudice, the parties filed on June 10, 2023, their joint P.R. 4-3 claim constructions including proposed constructions for the ’770 patent. Dkt. No. 106-1 ECF p 6. While Truist is reserving its right to include additional limitations of the ’770 patent for dispute, Dkt. No. 106 ECF p 2, USAA identified terms “deposit a check” and “mobile check deposit” from claims 25 and 30 of the ’770 patent, which is similar to terms in dispute for the ’432 patent, the ’753 patent, and the ’944 patent, Dkt. No. 106-1 ECF pp 2-3 & 5. Further, USAA is asserting the ’770 patent against an updated version of the accused product Truist Mobile Deposit in February 2023, which Truist asserts as a non-infringing alternative to the original patents in suit. As a result, the ’770 patent will come into this case one way or another. *See, e.g., Astrazeneca AB v. Apotex Corp.*, 782 F.3d 1324, 1340-41 (Fed. Cir. 2015). Truist argues that the ’770 patent infringement contentions introduce new functionality, namely biometric measurements for facial and fingerprint recognition. Dkt. No. 93 ECF pp 8-11. However, a brief review of asserted claims 25 and 28 of the ’770 patent reveals that the injection of biometric measurements will not materially alter the scope of the suit because the claims recite biometrics as a method of authentication and the claims

do not specifically address improvements in how biometric measurements are computed. Accordingly, any prejudice to Truist due to the addition of the ‘770 patent is relatively minor.

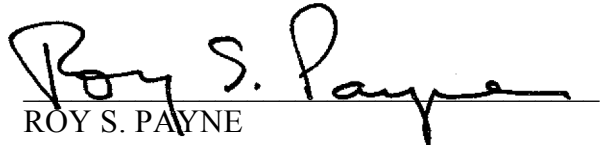
IV. Truist’s Motion for Leave to File a Second Amended Answer and Counterclaims

Lastly, Truist moves for leave to file a second amended answer and counterclaims to assert U.S. Patent Nos. 7,283,644 (“the ‘644 Patent”) and 7,899,210 (“the ‘210 Patent”), which related to the use of biometrics for authentication purposes. Dkt. No. 89. Truist’s motion is contingent upon the Court’s grant of USAA’s motion for leave to file a second amended complaint and further is responsive to USAA’s assertion of the ‘770 patent discussed immediately above. *Id.* at ECF p 4. Truist received USAA’s infringement contentions for the ‘770 patent on May 3, 2023, informed USAA of Truist’s intent to assert the ‘644 and ‘210 patents via counterclaims on May 5, 2023, and the instant motion was filed on May 15, 2023, which is also before the headline to amend pleadings. *Id.* at ECF p 8. As to prejudice, Truist does not assert that claim construction is needed for the ‘644 and ‘210 patents and USAA has not proposed any terms for construction. Dkt. No. 106 ECF p 2.

V. Conclusion

Having considered the motions before the Court, Dkt. Nos. 67, 84, and 89, each is **GRANTED.**

SIGNED this 20th day of June, 2023.


ROY S. PAYNE
UNITED STATES MAGISTRATE JUDGE