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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

Woodway USA, Inc.

Plaintiff,

v.

LifeCORE Fitness, Inc. d/b/a
Assault Fitness,

Defendant.

Case No. 22-cv-492-JO-BLM

**MEMORANDUM AND POINTS OF
AUTHORITY IN SUPPORT OF
MOTION TO STAY LITIGATION
PENDING INTER PARTES REVIEW**

Judge: Jinsook Ohta
Date: December 13, 2023
Time: 9:30 A.M.
Location: Courtroom 4C

EX2081

Woodway USA, Inc.
IPR2024-00083

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1 Defendant LifeCORE Fitness, Inc. d/b/a Assault Fitness (“LifeCORE”)
 2 submits this Memorandum in Support of its Motion to Stay Litigation Pending *Inter*
 3 *Partes* Review.

4 I. INTRODUCTION

5 In its original Complaint, plaintiff, Woodway USA, Inc. (“Woodway”)
 6 asserted LifeCORE infringes U.S. Patent Nos. 9,039,580 (“the ’580 Patent”),
 7 10,561,884 (“the ’884 Patent”), and 10,799,745 (“the ’745 Patent”). (Dkt. 1.) In a
 8 First Amended And Supplemental Complaint filed more than one-half year later,
 9 Woodway asserted LifeCORE also infringes U.S. Patent No. 11,465,005 (“the ’005
 10 Patent”) that issued on October 11, 2022. (Dkt. 34 at ¶9.) All of these asserted patents
 11 are directed to exercise treadmills.

12 In April of 2023, LifeCORE filed three petitions for *inter partes* review
 13 (“IPR”) with the United States Patent and Trademark Office (“PTO”) challenging
 14 the validity of all asserted claims of the ’580, ’884, and ’745 Patents. These IPRs
 15 have now been instituted with a finding by the PTO’s Patent Trial and Appeal Board
 16 (“PTAB”) that LifeCORE “has shown a reasonable likelihood” that patent claims
 17 asserted by Woodway are “unpatentable.”

18 On October 24, 2023, LifeCORE filed another IPR petition challenging the
 19 validity of all asserted claims of the ’005 Patent and currently awaits the PTAB’s
 20 institution of that IPR.

21 Given the present findings of the PTAB that challenged claims are
 22 “unpatentable,” combined with the early stage of the present proceeding, a stay of
 23 this case should result in the simplification or elimination of one or more—if not
 24 all—of the litigation issues, will result in significant time and cost savings, and will
 25 not cause any prejudice or tactical advantage. In sum, a stay is in the best interest of
 26 the parties and the Court. Accordingly, LifeCORE asks the Court to stay this case
 27 until final decisions are rendered in all of the IPRs with the only exception being for
 28

LifeCORE to enforce subpoenas served on four third parties directed to the production of materials—materials highly relevant to showing invalidity of the asserted patent claims to the extent any such claims survive the IPRs—if and only to the extent such materials have not been produced by such parties before a stay order is entered.

II. FACTUAL BACKGROUND

A. America Invents Act

In enacting the Leahy-Smith America Invents Act (“AIA”) in 2011, Congress sought to “establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs” and “to create a timely, cost-effective alternative to litigation.” 77 Fed. Reg. 48680–01 (Aug. 14, 2012) (to be later codified at 37 C.F.R. § 42.100 et seq.). To that end, the AIA created the IPR mechanism, which allows the PTAB to review the patentability of one or more claims in a patent. *See* 35 U.S.C. §§ 311–319.

IPR proceedings allow any party other than the Patent Owner to challenge a patent’s validity under 35 U.S.C. § 102 or § 103 “on the basis of prior art consisting of patents or printed publications.” 35 U.S.C. § 311(a)–(b). The petitioning party must establish “a reasonable likelihood that the petitioner would prevail with respect to at least [one] of the claims challenged in the petition” for the PTO to institute an IPR. 35 U.S.C. § 314(a). If the PTO decides to institute an IPR, the proceeding is conducted before a panel of three technically-trained Administrative Patent Judges of the PTAB. *See* 35 U.S.C. §§ 6(a)–(c), 316. The PTAB panel may come to the conclusion in a Final Written Decision that one or more—if not all—of the patent claims at issue are unpatentable. 35 U.S.C. § 318.

B. IPR Filings And Decisions

LifeCORE has filed four IPR petitions with the PTAB, challenging the validity of every claim asserted by Woodway of each of the four patents-in-suit.

LifeCORE filed three of these petitions on April 11, 12, and 13 challenging every asserted claims of the '580, '884, and '745 Patents, respectively. (Exs. 1–3, IPR Petitions for the '580, '884, and '745 Patents.)

With respect to the '580 Patent, Woodway in the present case asserts claims 1–3, 5–6, 10, and 25. (Ex. 4, Woodway's First Amended Infringement Contentions at 2.) On October 24, 2023, the PTAB granted institution of the '580 Patent IPR, and found that LifeCORE "has shown a reasonable likelihood" that all asserted claims are "unpatentable," stating:

After considering the Petition, the Preliminary Response, and the evidence of record, we determine the information presented shows a reasonable likelihood that Petitioner would prevail in establishing the unpatentability of at least one of challenged claims 1–12, 14, 15, 18, and 25 of the '580 patent. We institute an *inter partes* review of all challenged claims of the '580 patent on the grounds asserted in the Petition.

[W]e determine that Petitioner has shown a reasonable likelihood that claim 1 is unpatentable over Chickering and Magid.

[W]e determine that Petitioner has shown a reasonable likelihood that claims 11 and 25 are unpatentable over Chickering and Magid.

[W]e determine that Petitioner has shown a reasonable likelihood that claims 2–5, 10, 14, and 18 are unpatentable over Chickering and Magid.

[W]e determine that Petitioner has shown a reasonable likelihood that claims 6–9 and 12 are unpatentable over Chickering, Magid, and Sclater.

[W]e determine that Petitioner has shown a reasonable likelihood that claims 11 and 25 are unpatentable over Socwell and Magid.

1 [W]e determine that Petitioner has shown a reasonable likelihood that
2 claims 2–5, 10, 14, and 18 are unpatentable over Chickering and Magid.

3 ***

4 [W]e determine that Petitioner has shown that there is a reasonable
5 likelihood that claims 6–9 and 12 are unpatentable over Socwell,
6 Magid, and Sclater.

7 (Ex. 5, '580 Patent Institution Decision at 2, 34, 35, 43, 51, 51.)

8 With regards to the '884 Patent, Woodway asserts claims 30–34, 37–54, 57,
9 and 59. (Ex. 4 at 2.) On October 24, 2023, the PTAB granted institution of the '884
10 Patent IPR as to **all asserted claims** and found that LifeCORE “has shown a
11 reasonable likelihood” that **asserted claims are “unpatentable,”** stating:

12 After considering the Petition, the Preliminary Response, and the
13 evidence of record, we determine the information presented shows a
14 reasonable likelihood that Petitioner would prevail in establishing the
15 unpatentability of at least one of challenged claims 30–34, 37–54, 57,
16 and 59 of the '884 patent. Accordingly, we institute an *inter partes*
17 review of all challenged claims of the '884 patent on the grounds
18 asserted in the Petition.

19 ***

20 [W]e determine that Petitioner has shown a reasonable likelihood that
21 claim 30 is unpatentable over Schöenberger, Socwell, Magid, and
22 Sclater.

23 ***

24 [W]e determine that Petitioner has shown a reasonable likelihood that
25 claims 30, 37, 50, and [5]7 are unpatentable over Schöenberger,
26 Socwell, Magid, and Sclater.

27 ***

28 [W]e determine that Petitioner has shown a reasonable likelihood that
claims 31–34, 38, 39, 41, 45–49, and 59 are unpatentable over
Schöenberger, Socwell, Magid, and Sclater

1 [W]e determine that Petitioner has shown a reasonable likelihood that
 2 claims 41 and 55 are unpatentable over Schönenberger, Socwell,
 3 Magid, Sclater, and Showronski.

4 ***

5 [W]e determine that Petitioner has shown a reasonable likelihood that
 6 claim 30 is unpatentable over Chickering, Magid, and Sclater.

7 ***

8 [W]e determine that Petitioner has shown a reasonable likelihood that
 9 claims 37, 50, and 57 are unpatentable over Chickering, Magid, and
 10 Sclater.

11 ***

12 Petitioner has shown a reasonable likelihood that claims 31–34, 38, 39,
 13 41, 45–49, and 59 are unpatentable over Chickering, Magid, and
 14 Sclater.

15 (Ex. 6, '884 Patent Institution Decision at 2, 40, 41, 41, 42, 52, 53, 53.)

16 As to the '745 Patent, Woodway asserts claims 1, 4, 7–12, 14, 17, 18, and 20–
 17 26. (Ex. 4 at 2.) On October 25, 2023, the PTAB granted institution of the '745
 18 Patent IPR, and found that LifeCORE “has shown a reasonable likelihood” that **all**
 19 **asserted claims are “unpatentable,”** stating:

20 [B]ased on the evidence presented, Petitioner has demonstrated
 21 that there is a reasonable likelihood that at least one of the Challenged
 22 Claims is unpatentable. Accordingly, we institute an inter partes review
 23 of all challenged claims and on all grounds asserted in the Petition.

24 ***

25 Petitioner has demonstrated a reasonable likelihood of prevailing
 26 on its assertion that claims 1, 4, 7–12, 14, 17, 18, and 20–27 would have
 27 been obvious over Schönenberger, Socwell, Magid, and Sclater....

28 (Ex. 7, '745 Patent Institution Decision at 2, 49.)

The following summarizes the future schedule of these IPRs (see Ex. 8, IPR Scheduling Order at 12–13):

Asserted Patents	IPR Nos.	Deadline for Patent Owner's Response	Oral Argument
'580 '884 '745	IPR2023-00836 IPR2023-00843 IPR2023-00849	January 17, 2024	July 24, 2024

As to each of these, a Final Written Decision should be forthcoming within twelve months of the applicable date of the decision to institute (35 U.S.C. § 316(a)(11))—*i.e.*, in October of 2024.

As to the '005 Patent, Woodway asserts claims 1–4, 6–13, and 15–16. (Ex. 4 at 2.) LifeCORE filed the fourth IPR petition on October 24, 2023 (Ex. 9, IPR Petition for the '005 Patent at 4), challenging **every asserted claim** of the '005 Patent, the patent which had been added over one-half year later to the present case pursuant to Woodway's Amended Complaint (Dkt. 34). Given that all of the asserted patents are analogous and stem from the same parent application (Ex. 9 at 5–6),¹ LifeCORE submits that it is extremely likely this IPR will be instituted as well—with the same “unpatentable” claim findings.

In any event, based on IPR procedural requirements, a number of future dates automatically spring from the date the PTO sends a Notice of Filing Date, including the Patent Owner's preliminary response deadline and decision to institute date. 35 U.S.C. §§ 314, 316(a)(11). For the '005 Patent IPR, Woodway must respond to LifeCORE's petition “no later than three months after the date of a notice indicating that the request to institute an *inter partes* review has been granted a filing date.” 37 C.F.R. § 42.107. A decision by the PTAB as to whether to institute the IPR should

¹ Woodway itself has recognized the similarity of asserted claims. (See Ex. 10, Patent Owner Woodway's Preliminary Response to '580 Patent IPR Petition at 28–33.)

1 be forthcoming within three months of the response deadline. 35 U.S.C. § 314(b). A
 2 Final Written Decision then should be forthcoming within twelve months of the
 3 applicable date of the decision to institute—which would be around May of 2025.
 4 35 U.S.C. § 316(a)(11).

5 **III. ANALYSIS**

6 Courts have inherent power to manage their dockets and stay proceedings. *See*
 7 *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936); *see also Murata Mach. USA v.*
 8 *Daifuku Co.*, 830 F.3d 1357, 1362, (Fed. Cir. 2016) (citing *Landis*). “The moving
 9 party bears the burden of demonstrating that a stay is appropriate.” *Finjan, Inc. v.*
 10 *Symantec Corp.*, 139 F. Supp. 3d 1032, 1035 (N.D. Cal. 2015).

11 District Courts in the Ninth Circuit consider three factors in determining
 12 whether to impose a stay pending parallel proceedings before the PTAB:
 13 “(1) whether discovery is complete and whether a trial date has been set; (2) whether
 14 a stay will simplify the issues in question and trial of the case; and (3) whether a stay
 15 would unduly prejudice or present a clear tactical disadvantage to the nonmoving
 16 party.” *TAS Energy, Inc., v. San Diego Gas & Elec. Co.*, No. 12cv2777-GPC(BGS),
 17 2014 WL 794215, at *3 (S.D. Cal. Feb. 26, 2014). Judicial consideration is not
 18 limited to these factors but can also include a review of the totality of the
 19 circumstances. *See Murata Mach. USA*, 830 F.3d at 1362 (“Attendant to the district
 20 court’s inherent power to stay proceedings is the court’s discretionary prerogative to
 21 balance considerations beyond those captured by the three-factor stay test.”).

22 “There is a liberal policy in favor of granting motions to stay proceedings
 23 pending the outcome of USPTO reexamination or reissuance proceedings.” *TAS*
 24 *Energy, Inc.*, 2014 WL 794215, at *3; *see also ASCII Corp. v. STD Entm’t USA,*
 25 *Inc.*, 844 F. Supp. 1378, 1381 (N.D. Cal. 1994).

26 Each of the above factors, and the current circumstances, supports a stay in
 27 the present case.
 28

A. A Stay Should Be Ordered Because This Case Is Not Advanced

“The first factor the Court considers is whether the litigation is at an early stage. Specifically, courts consider ‘whether discovery is complete and whether a trial date has been set.’” *Sec. People, Inc. v. Ojmar US, LLC*, No. 14-CV-04968-HSG, 2015 WL 3453780, at *2 (N.D. Cal. May 29, 2015) (citation omitted). “Generally, the time of the motion [for stay] is the relevant time to measure the stage of litigation.” *VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d 1307, 1317 (Fed. Cir. 2014) (citation omitted).

In the present case, there is currently no schedule—no discovery cut-off, no expert deadlines, no summary judgment deadlines, and no trial date. While a claim construction hearing was held on April 24 and the Court gave the parties a tentative claim construction order, a final claim construction order did not issue until the date of filing this motion, *i.e.*, November 15, 2023.

As for discovery, the parties are in the midst of discovery and significant future discovery efforts will be needed. (See Ex. 11, Declaration of John Halan at ¶2.) As one example, many documents requested from Woodway have not yet been produced—*e.g.*, a large number of documents produced by Woodway have archived attachments that Woodway has not yet produced. (*Id.* at ¶3.) As another example, at least partly due to the need for additional documents requested from Woodway, and the prior tentative nature of the claim construction order, no depositions have yet been taken by either party.² (*Id.* at ¶4.)

² During the meet and confer regarding this motion, another issue discussed was postponing the deposition of Roger Bates, the President of LifeCORE, that had been scheduled by Woodway for Friday, November 17, 2023. Despite the fact that LifeCORE would be filing this motion based on the IPRs having been instituted with findings that LifeCORE “has shown a reasonable likelihood” that claims asserted by Woodway are “unpatentable,” Woodway counsel’s position was that Woodway did not want to postpone the deposition and suggested that an appropriate action would be for LifeCORE file a motion for protective order. (See Ex. 13, November 13, 2023 emails from LifeCORE’s counsel to Woodway’s counsel; *see also* Declaration of John M. Halan in Support of Motion for Protective Order to Preclude The Deposition

As a result, a significant amount of work still remains. Because the parties have yet to complete fact discovery, have not yet taken any fact depositions, have not exchanged any expert reports or conducted any expert depositions, have yet to prepare summary judgment motions, and no trial-related proceedings are currently scheduled, a stay is justified. Considering that a substantial amount of work in this case is still needed, the Court should weigh this factor in favor of ordering a stay. *See, e.g., TAS Energy, Inc.*, 2014 WL 794215, at *3 (citations omitted) (explaining the parties had much work left to do, such as “expert discovery, summary judgment motions and trial”); *PersonalWeb Techs., LLC v. Facebook, Inc.*, No. 5:13-CV-01356-EJD, 2014 WL 116340, at *4 (N.D. Cal. Jan. 13, 2014) (stating that the case was not so far advanced that a stay would be improper where parties have not yet engaged in the significant and costly work of expert discovery and summary judgment motions, and the pretrial conference was still six months away); *Tierravision, Inc. v. Google, Inc.*, No. 11cv2170 DMS (BGS), 2012 WL 559993, at *1–3 (S.D. Cal. Feb. 21, 2012) (finding this factor favored a stay although case was not in its infancy where the parties had already exchanged infringement and invalidity contentions and prepared claim construction briefs because “there [was] more work ahead of the parties and the Court than behind the parties and the Court”).³

of Roger Bates Pending Resolution of Defendant’s Motion to Stay all Proceedings Pending *Inter Partes* Review that was filed concurrently with this motion). Such a motion has been filed concurrently with this motion.

³ *See also Omnitrac, LLC v. Platform Sciences, Inc.*, No. 20-cv-0958-JLS-MDD, 2021 WL 857005, at *3 (S.D. Cal. Mar. 8, 2021) (finding that the case was still in its “infancy” where the parties were only in “their first wave of discovery” and a trial date had not been set and explaining that “courts have held much later stages in litigation have weighed towards a stay”); *Wonderland Nursery Goods Co. v. Baby Trend, Inc.*, No. EDCV 14-01153 VAP, 2015 WL 1809309, at *3 (C.D. Cal. Apr. 20, 2015) (finding the stage of litigation weighed in favor of stay where “fact discovery [was] not yet complete, expert discovery ha[d] not yet begun, and a trial date ha[d] not yet been set”); *cf. Smartflash LLC v. Apple Inc.*, 621 F. App’x 995, 1005–06 (Fed. Cir. 2015) (finding factor weighed in favor of stay where the district

B. A Stay Will Simplify the Issues Before the Court

The second factor Courts consider is whether granting a stay could simplify the issues in question and the trial of the case. *FastVDO LLC v. AT&T Mobility LLC*, No. 3:16-CV-3587-DMR, 2017 WL 2323003, at *5 (S.D. Cal. Jan. 23, 2017); *Evolutionary Intelligence LLC v. Yelp Inc.*, No. 13-CV-03587-DMR, 2013 WL 6672451, at *5 (N.D. Cal. Dec. 18, 2013).

The standard is simplification of the district court case, not necessarily complete elimination of it by the PTAB. See *LELO, Inc. v. Standard Innovation (US) Corp.*, No. 13-CV-01393-JD, 2014 WL 2879851, at *3 (N.D. Cal. June 24, 2014) (rejecting Plaintiff’s argument that “simplification will not happen here because, no matter what, some claims will survive the PTAB review and this lawsuit will continue,” and holding that “the standard is simplification of the district court case, not complete elimination of it by the PTAB”).

Furthermore, “[w]aiting for the outcome of the reexamination [or other post-patent-grant proceedings such as IPRs] could eliminate the need for trial if the claims are cancelled or, if the claims survive, facilitate trial by providing the court with expert opinion of the [US] PTO and clarifying the scope of the claims.” *TAS Energy, Inc.*, 2014 WL 794215, at *4. (citation omitted). This is particularly true when a party has requested PTO review of each of the asserted claims in patents-in-suit. *Id.*

As discussed above, IPRs have been instituted as to the ’580, ’884, and ’745 Patents as to all claims asserted by Woodway based on a determination that LifeCORE “has shown a reasonable likelihood” that patent claims asserted by Woodway are “unpatentable.” Accordingly, it is likely that most, if not all, of the asserted patent claims will be found invalid. This is supported by PTAB statistics.

court had held hearing on claim construction, dispositive motions, and Daubert challenges, but the case had not yet gone to trial).

1 More specifically, for the 2022 fiscal year, of the claims that were instituted and
2 proceeded to a Final Written Decision, 76% were found unpatentable.⁴

3 As for the '005 Patent IPR, and as previously stated, LifeCORE submits that
4 it is extremely likely this IPR will be instituted as well given the fact that all of the
5 asserted patents are related and stem from the same application. In fact, for the 2022
6 fiscal year, PTAB statistics show that the PTO instituted 67% of IPR petitions.⁵

7 In any event, the Court need not wait for all of the IPRs to be instituted before
8 ordering the requested stay. *See e.g., Masimo Corp. v. Wireless*, No. 19-CV-01100-
9 BAS-NLS, 2021 WL 321481, at *6 (S.D. Cal. Feb. 1, 2021) (granting a stay where
10 PTO instituted IPRs on 8 of the 9 asserted patents, while a decision on an IPR
11 petition for the ninth patent remained outstanding); *Am. GNC Corp. v. LG Elecs.*
12 *Inc.*, No. 17-CV-01090-BAS-BLM, 2018 WL 1250876, at *1 (S.D. Cal. Mar. 12,
13 2018) (granting a stay even though “the PTO ha[d] not yet decided whether to
14 institute IPR proceedings”).⁶ LifeCORE submits this is especially true where the
15 PTAB has already found that LifeCORE “has shown a reasonable likelihood” that
16 the claims of the '580, '884, and '745 Patents—the majority of the claims asserted
17 by Woodway—are “unpatentable.”

18 Thus, it is highly likely that the IPR proceedings on the asserted patents will
19 greatly simplify, if not eliminate, any issues left to litigate, thereby relieving the
20

21 ⁴ *PTAB Trial Statistics*, U.S. PAT. & TRADEMARK OFF.,
22 https://www.uspto.gov/sites/default/files/documents/ptab__aia_fy2022_roundup.pdf
23 (last visited August 27, 2023), at 13 (showing that of the 7,024 claims that reached
a final written decision, 5,371 claims were unpatentable).

24 ⁵ *Id.* at 6.

25 ⁶ *TAS Energy, Inc.*, 2014 WL 794215, at *4–6 (granting motion to stay case pending
a requested, but not yet granted petition for *inter partes* review); *Qualcomm Inc. v.*
26 *Apple Inc.*, No. 3:17-cv-2403-CAB-MDD, 2018 WL 4104966, at *3 (S.D. Cal. Aug.
29, 2018) (staying litigation pending PTAB’s decision to “institute IPR as to all,
27 some, or none” of the asserted patents); *Nichia Corp. v. Vizio, Inc.*, No. SACV 18-
00362 AG (KESx), 2018 WL 2448098, at *3 (C.D. Cal. May 21, 2018) (staying
28 infringement litigation where there were three pending IPR petitions).

1 Court and the parties from having to address any issues related to the claims found
2 to be unpatentable.

3 Moreover, during IPR proceedings, Patent Owners, such as Woodway, can—
4 and often do—statutorily disclaim one or more claims of the relevant patent. *See* 35
5 U.S.C. § 253; 37 C.F.R. § 42.121.

6 As a result of all of the above, the number of claims at issue frequently shrinks
7 during IPR proceedings.

8 Lastly, the claims in the related asserted patents are analogous and stem from
9 the same parent application (Ex. 9 at 6), so there will be overlapping issues related
10 to the patents. Because the IPR proceedings will very likely cancel claims of the
11 asserted patents, and because the PTAB’s analysis and findings may aid the Court
12 by providing additional analysis of the claims, a stay will simplify the issues in this
13 case—if not eliminate them entirely—and streamline any later trial.

14 A stay would, therefore, reduce the burden on and preserve the resources of
15 both the Court and the parties. Accordingly, this factor weighs in favor of a stay.
16 *See, e.g., FastVDO LLC*, 2017 WL 2323003, at *4–5 (“[W]aiting for the outcome of
17 the [IPR] could eliminate the need for trial if the claims are cancelled or, if the claims
18 survive, facilitate trial by providing the court with expert opinion of the PTO and
19 clarifying the scope of the claims.”) (citations omitted).

20 **C. A Stay Will Not Unduly Prejudice Plaintiff or Cause a Clear Tactical**
21 **Disadvantage**

22 The last factor is “whether a stay would unduly prejudice or present a clear
23 tactical disadvantage to the nonmoving party.” *TAS Energy, Inc.*, 2014 WL 794215,
24 at *5.

25 “[C]ourts may “consider evidence of dilatory motives or tactics, such as when
26 a party unduly delays in seeking reexamination of a patent. Such tactics include
27 seeking reexamination on the eve of trial or after protracted discovery.” *Masimo*
28

1 *Corp.*, 2021 WL 321481, at *4 (citation omitted). In the present case, LifeCORE has
 2 not acted with any dilatory motive or used any dilatory tactics. The decisions
 3 granting institution did not issue until October 24 and 25, 2023. Immediately
 4 thereafter, on October 27, 2023, LifeCORE’s counsel emailed Woodway’s counsel
 5 and said, “Given the recent IPR institutions, we request a meet and confer regarding
 6 a stay of the litigation,” and suggested October 31 or November 1. (Ex. 12, Oct. –
 7 Nov. correspondence between counsel.) Communications continued between the
 8 parties until a November 10, 2023 meet and confer when Woodway took the position
 9 they would oppose this motion.. (*Id.*; Ex. 13.)

10 In any event, “[d]elay alone does not usually constitute undue prejudice,
 11 because parties having protection under the patent statutory framework may not
 12 complain of the rights afforded to others by that same statutory framework.” *Masimo*
 13 *Corp.*, 2021 WL 321481, at *4.

14 Also, there cannot be undue prejudice where a party could later be made whole
 15 by monetary damages. See *Lighting Sci. Grp. Corp. v. Shenzhen Jiawei Photovoltaic*
 16 *Lighting Co. Ltd.*, No. 16-CV-03886-BLF, 2017 WL 2633131, at *4 (N.D. Cal. June
 17 19, 2017); *Largan Precision Co. v. Motorola Mobility LLC*, No. 21-CV-09138-JSW,
 18 2022 WL 2954935, at *4 (N.D. Cal. July 26, 2022).

19 Accordingly, the third factor also favors the issuance of a stay.

20 In sum, all three factors weigh in favor of a stay. To preserve the resources of
 21 the Court and the parties, a stay should be entered pending the results of LifeCORE’s
 22 IPRs of the Asserted Patents.

23 **D. Exception To Stay**

24 LifeCORE requests one small exception to the stay, that being as to materials
 25 that have already been subpoenaed from four third party suppliers to Woodway—
 26 Metko Inc., Brecoflex Co., L.L.C., Weimer Bearing & Transmission, Inc., and
 27 McMaster-Carr Supply Company—which are highly relevant to showing invalidity
 28

1 of the asserted patent claims to the extent any such claims survive the IPRs. It is
 2 likely that such materials will be produced prior to this motion being decided⁷ and
 3 this issue will become moot. However, if not, and because such entities are third
 4 parties that are not under an obligation to maintain relevant documents, **LifeCORE**
 5 is concerned that as time passes, responsive materials may be lost or discarded.

6 Accordingly, should such materials not be produced before a stay order is
 7 entered, LifeCORE requests that it be given the opportunity to pursue such
 8 materials. Because these materials are being sought from third parties, such
 9 discovery should not pose any burdens on, or be prejudicial to, Woodway.

10 IV. CONCLUSION

11 LifeCORE respectfully requests that the Court grant this Motion for Stay and
 12 to stay this case until the PTAB renders a final decision regarding all of LifeCORE's
 13 IPR challenges, with the only exception being for LifeCORE to enforce subpoenas
 14 served on four third parties—Metko Inc., Brecoflex Co., L.L.C., Weimer Bearing &
 15 Transmission, Inc., and McMaster-Carr Supply Company—if and only to the extent
 16 subpoenaed materials have not been produced by any such party before a stay order
 17 is entered.

18
 19 Dated: November 15, 2023

Respectfully submitted,

20 By: /s/ John M. Halan

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26
 27 ⁷ McMaster-Carr Supply Company has already represented that subpoenaed
 28 materials would be produced in the next day or two, i.e., Nov. 16 or 17.

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