

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:22-cv-01913-CNS-NRN

PERSONALIS, INC.,

Plaintiff,

v.

FORESIGHT DIAGNOSTICS INC.,

Defendant.

**DEFENDANT FORESIGHT DIAGNOSTICS INC.'S MOTION TO CONSOLIDATE
RELATED CASES**

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After the Patent Trial and Appeal Board ("PTAB") of the United States Patent and Trademark Office ("USPTO") granted Foresight Diagnostics' first two petitions for *inter partes* review—and seeing the writing on the wall that the USPTO would institute *inter partes* review proceedings to reassess the validity of all four of its patents asserted in this case—Personalis filed a second lawsuit against Foresight in this District. Personalis's second lawsuit asserts three patents indisputably related to Personalis's four patents asserted in this case. Personalis once again accuses Foresight's same diagnostic test of infringement. Further, Personalis requests the same relief in both cases, the parties are represented by the same counsel, the judicial officers are the same, and both cases are at the same early stage. Accordingly, pursuant to Federal Rule of Civil Procedure 42(a) and D.C.COLO.LCivR 42.1, Foresight respectfully moves the Court to consolidate *Personalis, Inc. v. Foresight Diagnostics Inc.*, No. 1:22-cv-01913-CNS-NRN ("Case 1") with *Personalis, Inc. v. Foresight Diagnostics Inc.*, No. 1:23-cv-01623-CNS-NRN ("Case 2"). Case 1 is presently stayed, and Foresight requests that the Court maintain the stay as to the consolidated case.

I. Factual Background

On August 2, 2022, Personalis filed Case 1 against Foresight. Personalis initially asserted three patents, and on August 17, 2022, filed an amended complaint asserting a fourth patent. Dkt. 9 (asserting U.S. Patent Nos. 10,450,611 (the "'611 Patent") and 11,299,783 (the "'783 Patent") (together, the "West I Patents"), along with 11,384,394 (the "'394 Patent") and 11,408,033 (the "'033 Patent") (together, the "Bartha Patents")). These four patents are related and share inventors, and each belongs to one of two patent families. All four patents are asserted against Foresight's Solid Tumor Recurrence Test.

On November 30, 2022, Foresight requested that the Court stay this case pending *inter partes* review ("IPR") of the asserted patents. Dkt. 36. When that motion was briefed, Foresight had only

petitioned the PTAB to institute IPR of the Bartha Patents. Because patents claiming priority after March 16, 2013 do not become eligible for IPR until 9 months after issuance, the '783 patent was not yet eligible for IPR review (but was eligible for post-grant review ("PGR")). Foresight represented it would file IPR petitions on the West I Patents shortly after the IPR window opened for the '783 patent.

Personalis opposed Foresight's motion. Personalis argued that "Foresight's prior art is defective," Dkt. 38 at 1, "Leary [one of the prior art references asserted in Foresight's IPR petitions] is weak art that falls far short of invalidating the claims of the '394 Patent," *id.* at 3, "Foresight's IPR is unlikely to even be instituted by the PTAB," *id.*, and that "based on recent history in the Patent Office and the weakness of Foresight's prior art, there is no reason to believe that it is 'likely' claims will be invalidated." *Id.* at 13 (relying on generic Patent Office statistics from 2021 that the Court found were "cherry-picked . . . to lead to an arguably misleading conclusion." Dkt. 55 at 11). Before the Patent Office, Personalis went so far as to assert in its responses, for example, that the cited art was "poor" and "comes nowhere close to rendering obvious" its claims. Ex. A at 45.

The expert panel of three experienced patent law judges disagreed with Personalis in each of the four proceedings. Each and every one of Foresight's IPR petitions was instituted, with the PTAB rejecting Personalis's arguments and finding that "Petitioner [Foresight] has the better position with respect to the arguments." Ex. B at 34; *see also* Ex. C at 21, n.7 (stating, with respect to Personalis's main argument against institution: "We find this argument confusing.").

"Recent history in the Patent Office," which Personalis contends is persuasive, therefore shows that the PTAB has found 100% of Personalis patents brought to its attention warrant a reevaluation due to a reasonable likelihood of invalidity.

While the parties have been busy litigating the IPR proceedings now instituted on all of the first four asserted patents, Personalis has also been busy continuing to prosecute open patent applications in an apparent attempt to obtain new patents for assertion against Foresight. On February 21, 2023, Personalis obtained U.S. Patent No. 11,584,968 (the "'968 Patent") and on May 16, 2023, Personalis obtained U.S. Patent No. 11,649,507 (the "'507 Patent") (the "West II Patents"). On May 9, 2023, Personalis obtained U.S. Patent No. 11,643,685, which is a continuation of the West I Patents (the "'685 Patent").

Barely two weeks after receiving the PTAB's decisions instituting IPR proceedings against the Bartha Patents, Personalis filed Case 2 on June 26, 2023. Case 2 at Dkt. 1 (original Case 2 complaint); Dkt. 21 (First Amended Complaint, hereafter the "Case 2 Complaint"). Personalis no doubt realized from those first two institutions that the PTAB would likely institute IPR proceedings against the West I patents, as well. The PTAB did exactly that on August 8, 2023.

All seven patents Personalis is now asserting against Foresight are closely related—the patents all share an inventor (John West, the ex-CEO of Personalis), are all being asserted against the exact same diagnostic test (Foresight's Solid Tumor Recurrent Test), and one of three patents asserted in Case 2 even stems from the same patent family as two of the patents asserted in Case 1 (the '685 Patent is a continuation of the '783 and '611 Patents). The IPR window for the Case 2 patents open between November 2023 and February 2024. In a matter of weeks, Foresight will be filing an IPR petition against the '968 Patent (part of the West II Family), at which point IPRs will be pending against all asserted patent families. Foresight will file IPR petitions against the '685 and '507 Patents as soon as the IPR window opens.

There is no dispute that the cases are related. Personalis's complaint in Case 2 specifically alleges the cases are related and the asserted patents in both cases are related. Case 2 Complaint at

¶¶ 31 (asserting the Case 1 Patents are "related to the '968, '507, and '685 Patents"), 41 (referring to Case 1 as "ongoing, related litigation"). On July 10, 2023, Personalis filed a Notice of Related Cases identifying this case as related to Case 2. Case 2 at Dkt.8.

II. Legal Standards

Rule 42(a) of the Federal Rules of Civil Procedure provides that, "[i]f actions before the court involve a common question of law or fact, the court may . . . consolidate the actions." Fed. R. Civ. P. 42(a)(2). Pursuant to Local Rule 42.1, the judge assigned to the lowest numbered case decides whether consolidation is warranted. D.C.COLO.LCivR 42.1. The decision whether to consolidate actions involving common questions of law or fact is committed to the sound discretion of the district court. *Shump v. Balka*, 574 F.2d 1341, 1344 (10th Cir. 1978). The purpose of Rule 42(a) is "to give the court broad discretion to decide how cases on its docket are to be tried so that the business of the court may be dispatched with expedition and economy while providing justice to the parties." *Breaux v. Am. Family Mut. Ins. Co.*, 220 F.R.D. 366, 367 (D. Colo. 2004) (quoting 9 C. Wright & A. Miller, Fed. Prac. & Proc. § 2381 (2d. ed. 1995)). Therefore, the Court will consider both judicial economy and fairness to the parties in exercising its discretion under Rule 42(a). *See Harris v. Ill.-Cal. Express, Inc.*, 687 F. 2d 1361, 1368 (10th Cir. 1982).

This Court outlined the legal standards for a motion to stay in its Order on Foresight's Motion to Stay. Dkt. 55 at 7-8. For brevity, Foresight will not repeat those standards here.

III. Personalis's Related Cases Against Foresight Should Be Consolidated

A. Both Cases Filed By Personalis Against Foresight Involve Common Questions Of Law And Fact

In any case for patent infringement, there are three main categories of questions that must be answered. First, are the patents valid? Second, are the patents infringed? Third, if the patents are valid and infringed, what is the appropriate remedy? Here, these questions are nearly identical across

the two cases—the same fact and expert witnesses will be relevant, the same documentary evidence will be relevant, and the same legal issues will arise in both cases. While Foresight believes that the PTAB will find the answer to the first question is "no," thereby disposing of both of these cases, in the event that some claims survive consolidation is plainly warranted.

The commonalities in questions of law and fact stem from the fact that the patents asserted in Case 2 are, as Personalis admits, "related" to the patents asserted in Case 1. Case 2 Complaint at ¶ 31. One of the patents asserted in Case 2, the '685 Patent, is in the same West I patent family as two patents asserted in Case 1, the '783 and '611 Patents. The '685 Patent is in the direct line of continuation applications stemming from the '783 Patent, and indeed the patents share the same specification. These patents are therefore, by definition, related. The other two patents asserted in Case 2, the '968 and '507 Patents of the West II family, are directly related to each other as the '507 Patent is a continuation of the '968 Patent. Both of these patents have the same inventor, John West, who is an inventor on each and every patent Personalis has asserted against Foresight. Further underscoring the relationship between these families, Personalis emphasizes that, during prosecution of the West II patents, it disclosed to the USPTO the prior art raised in Foresight's IPRs against the West I and Bartha patent families, Case 2 Complaint at ¶ 31, indicating that it believes the same prior art is "material to patentability" across all three asserted families. 37 CFR § 1.56.

With respect to infringement, the cases share common questions of law and fact because Personalis has exclusively accused the *same* diagnostic test (Foresight's Solid Tumor Recurrence Test) of infringing all seven asserted patents. The commonalities pertaining to questions of infringement are evident from a review of Personalis's claim charts attached to the complaints in both Case 1 and Case 2. Beyond asserting Foresight's Solid Tumor Recurrence Test infringes each asserted patent, Personalis argues it infringes in the same *way* for each patent. Dkt. 9-04 ('611 claim

chart); Dkt. 9-06 ('783 claim chart); Dkt. 9-09 ('394 claim chart); Dkt. 9-15 ('033 claim chart); Case 2 Dkt. 21-06 ('968 claim chart); Case 2 Dkt. 21-08 ('507 claim chart); Case 2 Dkt. 21-09 ('685 claim chart) (all relying on Kurtz, et. al., *Enhanced detection of minimal residual disease by targeted sequencing of phased variants in circulating tumor DNA*, 39 Nature Biotechnology 1537-1547, June 2021 ("Kurtz") to allege infringement). Indeed, the **only** evidence set forth in the Case 2 claim charts that is in any respect different from the evidence set forth in the Case 1 claim charts is a reference to a research paper that is entirely unrelated to Foresight's Solid Tumor Recurrence Test. *E.g.* Case 2 Dkt. 21-08 at 2 (citing Cohen Wilson & Trinh Ye, *Detecting Somatic Mosaicism: Considerations and Clinical Implications*, 87 CLINICAL GENETICS 554, at 555, 558 (2015) ("Cohen")). Cohen is simply used to support Personalis's allegation that "those in the art understand, somatic cancer-causing variations are a type of mosaic variant." Case 2 Complaint at ¶ 43.¹

According to Personalis itself, then, in both cases, it will rely on the same evidence to attempt to show how Foresight's Solid Tumor Recurrence Test works. It is also highly likely that overlapping fact and expert witnesses will testify in both cases.

Similar questions of claim construction will also be raised between the two cases, including the "whole genome sequencing" term that was critical to Personalis's stay opposition. Dkt. 38 at 3-4. *See e.g., Fiber, LLC v. Ciena Corp.*, No. 13-CV-00840-PAB-KLM, 2015 WL 13873931, at *2 (D. Colo. Nov. 16, 2015) (consolidating cases between the same parties on the same patents and noting "consolidation will allow for a single claim construction process").

With respect to validity, the cases share common questions of law and fact because many of the same prior art references will be relevant, given the similarities between the claims. Indeed,

¹ While the Case 2 claim charts also rely on Isbell, *e.g.* Case 2 Dkt. 21-08 at 24, Personalis states in its Case 2 Complaint that "Kurtz and Isbell both constitute reports of the same technology." Case 2 Complaint at ¶ 36.

Personalis admits as much by trumpeting the fact that it disclosed the IPR references in prosecution of the Case 2 Patents. What Personalis does not note, however, is that the IPR references were less than 5% of the total references it submitted to the current examiners. *See e.g.* Ex. F (showing references cited in prosecution of the '685 Patent and highlighting the IPR references). Further, none of the primary IPR references were actually cited by the examiner during prosecution. In addition, when the Case 2 patents were allowed, the examiners did not yet have the benefit of the Institution Decisions, authored by expert patent judges, which explain in detail why Ley, Leary, and Forsheew, among other references, are material to the patentability of these claims.

With respect to damages, Personalis seeks essentially the same relief in both cases, including "damages in an amount to be proven at trial" based on Foresight's alleged infringement through its Solid Tumor Recurrence Test. *Compare* Dkt. 9 at 14-15 *with* Case 2 Complaint at 21-22. With the same test at issue for all asserted patents, Personalis's damages model will likely be identical, or at least highly similar, between the cases. Both cases will raise numerous common questions of fact and law with respect to alleged damages, and will implicate the same evidence and witnesses regarding the value Foresight has derived from its Solid Tumor Recurrence Test.

In sum – the patents are closely related via their legal patent families, all share a common inventor, are being asserted against the same diagnostic test, and largely describe the same technology. The same questions of law and fact will arise in both cases, the same evidence will likely be at issue, and the same parties, counsel, and judges will litigate and adjudicate these issues. These factors favor consolidation. *Uniloc USA, Inc. v. HTC Am., Inc.*, No. C17-1558JLR, 2018 WL 2059565, at *2 (W.D. Wash. May 3, 2018) (consolidating patent infringement actions where different patents were asserted but the actions involved the same parties, same counsel, and overlapping accused products); *Abbott Diabetes Care, Inc. v. Dexcom, Inc.*, 2007 WL 2892707, at

*4 (D. Del. Sept. 30, 2007) (consolidating patent infringement actions between the same parties where different patents were asserted because the accused products were the same and asserted patents covered related technology); *SanDisk Corp. v. Phison Elecs. Corp.*, 538 F. Supp. 2d 1060, 1068 (W.D. Wis. 2008) (consolidating cases asserting different patents because "[b]oth cases present several common questions of law or fact. The cases involve allegations of infringement against the same products, share prosecution history and prior art and involve at least one prominent claim term, . . . Related issues will arise about the workings of defendants' products in both cases, and [certain defenses] are likely to rest on issues common to both cases. In light of the overlap between the cases, it would benefit the court and the parties to hear these issues together, both during claim construction and at trial."); *Pactiv Corp. v. Multisorb Techs., Inc.*, Case No. 10–C–461, 2011 WL 686813, (N.D. Ill. 2011) (consolidating cases between the same parties where different patents were at issue because "discovery and the damage analysis will be similar in both cases.").

B. Consolidation Is In The Interest Of Judicial Economy And Efficiency

The two cases at issue here are between the same parties and counsel, in the same Court, with the same district judge and the same magistrate judge. As described above, the cases raise related issues on infringement, validity, and damages. Accordingly, both fact and expert discovery in the two cases will focus on the same issues, documents, and witnesses. Leaving these cases unconsolidated would result in substantial duplication of litigation, increasing costs to the parties and burdening the Court unnecessarily. The same fact and expert witnesses would be required to sit for multiple depositions, testify at multiple trials, and present the same evidence. On the other hand, consolidating the cases "will enable the parties to proceed with discovery in a more efficient manner, and will allow the Court to avoid deciding identical issues in both cases." *Phatrat Tech., Inc. v. Timex Corp.*, 2007 WL 683969, at *1 (D. Colo. Mar. 1, 2007) (granting unopposed motion to

consolidate cases between the same parties involving different patents where the patents shared inventors and the same accused products were at issue in both cases).

Colorado Courts have consistently found that in circumstances such as these, judicial economy and efficiency is best served by consolidation. For example, in *Otter Prod., LLC v. Treefrog Devs., Inc.*, 2013 WL 490964, at *2 (D. Colo. Feb. 7, 2013), the Court consolidated cases between the same parties where the same patents were asserted against different products because, among other reasons, "the parties in both cases are the same. This is relevant to case management for the parties' pre-trial discovery, among other things. In short, it makes sense to consolidate so depositions are not duplicated." The Court specifically noted that "if the cases are not consolidated, the same OtterBox witnesses would have to testify at both trials about issues such as the conception and reduction to practice of the inventions claimed in each suit. . . . The same also applies to witnesses going to the alleged pioneering nature of the inventions." *Id.* (internal quotes omitted). The Court further reasoned that "the judicial officers in both cases are the same. This further strengthens the argument for consolidation because each judicial officer is already apprised of the similarities and differences that exist in the cases." *Id.*; see also *Emps. Mut. Cas. Co. v. W. Skyways, Inc.*, 2010 WL 2035577, at *2 (D. Colo. May 21, 2010) ("[C]onsiderations of judicial efficiency weigh overwhelmingly in favor of consolidating the two cases. . . [A] great deal of the evidence in the two cases will be identical, many of the same experts will testify, and that the two cases will involve many common issues of law. It would be an undue burden on witnesses to present the same testimony in two separate trials, it would be an unnecessary expense to the parties to endure two separate trials, and it would be a grossly inefficient use of the court's time and jury resources.").

C. Consolidation Would Not Cause Any Inconvenience, Delay, Or Expense

Consolidation would not prejudice Personalis. Both cases are at the same early stage of the proceeding—Case 1 was stayed pending *inter partes* review of the asserted patents at the very

beginning of discovery, and Case 2 is at its earliest stages as no scheduling order has yet been entered. There would be no expenses incurred due to consolidation—nothing has happened in Case 2 that would require any adjustments or costs based on consolidation. *See Firstier Bank, Kimball, Neb. v. F.D.I.C. ex rel. Firstier Bank, Louisville, Colo.*, No. 11-CV-03231-CMA-MJW, 2012 WL 1621008, at *2 (D. Colo. May 8, 2012) (consolidating cases where "the cases are all in the early stages of litigation, and consolidating these actions will not complicate or delay the proceedings. Additionally, consolidation will lessen the burden on the parties, witnesses, and will promote efficient use of judicial resources."); *Fiber*, 2015 WL 13873931 at *2 (consolidating patent cases where the first action was stayed, and second action was filed "relatively recently," and therefore "the cases are at a similar stage of litigation, which further favors consolidation").

Personalis has not identified any prejudice that it would incur based on consolidation.² The only prejudice Personalis identifies is based on its arguments that Case 2 should not be stayed. However, as discussed below, *infra* Section IV, these arguments should be rejected. Further, the fact that one action is stayed does not mean the cases should not be consolidated. *See Icon Health & Fitness, Inc. v. Johnson Health Tech N. Am., Inc.*, 2015 WL 12780595, at *3 (D. Utah May 12, 2015) (consolidating patent actions between the same parties, where different patents were asserted, because "the First Action and the Second Action 'involve a common question of law or fact' and consolidation is appropriate even though the Second Action is currently stayed" and noting "other district courts have consolidated [patent] cases when one of them is stayed.") (citing *Intellectual Ventures I LLC v. PNC Financial Services Group, Inc.*, Case No. 14-cv-00832, 2014 WL 3942277 (W.D.Pa. 2014) ("Had Plaintiff filed both actions at the same time, consolidation almost certainly

² Indeed, on October 16, Foresight emailed Personalis asking to meet and confer so that it could "attempt to understand what prejudice, if any, Personalis contends it would suffer from a consolidation and stay." Personalis never responded to Foresight's request.

would have been appropriate because both cases involve the same parties and accused products, overlapping technology, overlapping evidence, overlapping witnesses and overlapping damages issues. . . . Moreover, having decided that consolidation is proper, the Court seems no valid reason to lift the stay of the 2013 litigation, or to not stay the current consolidated litigation.").

IV. A Continued Stay Of This Case Is Appropriate Post-Consolidation

This case is presently stayed pending IPR proceedings on the asserted Personalis Case 1 patents. Upon consolidation of the two related actions, Foresight requests the Court maintain the stay as to all patents. The parties have already briefed and argued the issue of whether a stay is appropriate pending Foresight's filing of IPR petitions, and the Court agreed with Foresight that the case should be stayed even before IPR petitions were filed against all asserted patents. Dkt. 36 (Foresight Motion to Stay); Dkt. 38 (Personalis Opposition); Dkt. 44 (Foresight Reply); Dkt. 55 (Order Granting Foresight Motion to Stay). The analysis remains largely the same with respect to the three newly asserted patents (or if anything, weighs even more strongly in favor of a stay due to the 100% institution rate of IPRs Foresight has brought against Personalis patents), and the case should remain stayed in its entirety. *See* Dkt. 55 at 13 ("Considering all the relevant factors, the Court concludes that a stay pending *inter partes* review is merited in this case. The case has not progressed at all. In the event the USPTO does not institute review over any of the patents, then this case can start up again with relatively little delay. The complexity of the patented technology means that the [Court] would benefit from the expertise of the USPTO if review is instituted. The expense associated with litigating the validity of the patents in federal court, as opposed to the presumptively less expensive process in the USPTO, also counsels in favor of a stay.").

A. A Stay Will Simplify the Issues and Streamline Any Trial

As this Court previously explained, "[a]n IPR can simplify the litigation by rendering infringement claims moot, estopping the petitioner from asserting any arguments raised in IPR, and

providing the court with the PTAB's expert opinion on the claims at issue." Dkt. 55 at 6. When Foresight previously brought a motion to stay pending IPR on a set of patents where Foresight had only filed one IPR petition at the time, and no related patents were undergoing IPR proceedings, the Court held that "this factor—whether IPR will simplify the issues for the Court—weighs in favor of staying the case, even at this early stage—before IPR has been instituted." Dkt. 55 at 11.

Here, four related patents to the three newly asserted patents are already in IPR proceedings, and this factor therefore weighs even *more* strongly in favor of staying the case. As discussed above, the Case 2 patents are related formally (as continuations) and/or technologically. The pending IPR proceedings on the Case 1 patents will therefore be informative for questions of validity for the Case 2 patents, regardless of IPRs on the Case 2 patents (which Foresight will bring once it is able).

B. The Cases Are Both In Their Earliest Stages

This case has, of course, not progressed since the Court granted the stay. At that time, the Court found that "where little has happened in the case, and the defendant has moved promptly for a stay after seeking IPR, this factor favors a stay. Such is the case here." Dkt. 55 at 12-13. As was true for the first factor, this factor now weighs even *more* strongly in favor of a stay. The second case is at an even earlier stage than the first case was when it was stayed—no discovery has been served, and not only has no trial date been set but no Rule 16 conference has occurred and no scheduling order has been entered.

C. A Stay Would Not Prejudice Personalis Nor Present a Clear Tactical Advantage for Foresight

Since the Court's previous order granting Foresight's motion for a stay notwithstanding any alleged prejudice Personalis may suffer, Personalis has made public announcements regarding its business that show whatever competition between the parties that may have existed in January of 2023 is now even more attenuated.

Personalis has recently taken its MRD product into a new market that Foresight does not compete in. NeXT Personal Dx, currently in "early access", is an MRD test that Personalis offers "for providers." Ex. D. The most recent Investor Presentation on Personalis's website touts the launch of NeXT Personal Dx as a "catalyst[] to drive growth in 2023 and beyond" and explains this product is an LDT. Ex. E at 17. An LDT (Laboratory Developed Test) is intended for *clinical* use and is offered directly to patients or to clinicians for use in the care of patients. Chabon Dec. ¶ 3.

Foresight's Solid Tumor Recurrence Test is not an LDT, and Foresight does not currently have a commercial launch plan or timeline defined under which to offer this diagnostic test as an LDT. Foresight's test, which is for research use only, therefore does not compete with the new direction Personalis is taking its MRD product. *Id.* at ¶¶ 4-5. As result, any competition between the parties is now even more attenuated than it was at the time of Foresight's first stay motion.

D. A Stay Will Reduce the Burden of Litigation on the Parties and Court

As was true when the Court stayed the first case, for the same reasons that a stay would streamline litigation, a stay would reduce costs to the parties and the judiciary.

First, staying litigation on the three newly-asserted patents while IPR proceedings on the first four patents play out will reduce the burden of litigation because those IPR proceedings will likely be highly informative of validity issues on the three newly-asserted patents. The invalidity theories for the Case 1 West I Patents apply to the Case 2 West I and II Patents for similar reasons, given the substantial overlap of the claimed subject matter. Indeed, Personalis's preliminary responses to Foresight's IPR petitions against the West I Patents were highly similar for both the '611 and '783 patents. While the West II Patents have an earlier priority date (2014), the main prior art reference against the West I (2016) patents, Ley, was published in 2008 and thus applies to both families.

Second, Foresight will be filing IPR petitions on the three newly asserted patents as soon as it is permitted by statute to do so. The first of those petitions will be filed in November 2023, likely

before a decision has been rendered on the present motion. Personalis's main argument against a stay in the first case was that a stay would be premature in the absence of institution decisions from the PTAB. That argument is materially weaker here, where the PTAB has instituted 100% (4 of 4) of the petitions Foresight has brought against Personalis patents. The same validity issues impact the three newly asserted patents, and the PTAB is therefore likely to institute IPR proceedings on those patents as well. *See infra* pgs. 6-7, 12, 13-14.

It would make little sense to litigate this case while awaiting institution decisions. The parties will need to prepare non-infringement and invalidity contentions that address each asserted claim, respond to discovery requests, make document productions, prepare its own discovery requests, and potentially take depositions. The Court will also need to resolve any discovery disputes that arise. After all that, the parties will need to re-brief the issue of whether a stay is appropriate after IPR proceedings are instituted on the newly asserted patents. For these reasons, "the burdens of litigation—particularly the parties' anticipated substantial costs for factual and expert discovery and the Court's time—are accordingly reduced" by a stay. *Smith Sport Optics, Inc. v. Burton Corp.*, 601 F. Supp. 3d 936, 943 (D. Colo. 2022). *See also* Dkt. 55 (finding "IPR provides a more efficient and timely resolution to disputes of patent validity than can be achieved by litigation.").

E. A Stay Would Not Be Premature

For the reasons discussed above, a stay at this stage of the case is appropriate even in the absence of instituted IPR proceedings on the three newly asserted patents. *See* Dkt. 36 at 15 (collecting cases staying district court litigation pending IPR proceedings prior to an institution decision). This Court previously granted a pre-institution stay in this case, and the reasons for doing so have only gotten stronger in light of the fact that all IPR petitions filed by Foresight were in fact instituted, and Personalis admits that the patents undergoing IPR proceedings are "related" to the three newly asserted patents. Case 2 Complaint at ¶ 31; Case 2 at Dkt. 8.

At the October 11 status conference in Case 2, Personalis suggested that Foresight is delaying by not filing Post Grant Review ("PGR") petitions on the three newly asserted patents. By way of brief background, under the America Invents Act, a party challenging the validity of a patent after issuance may bring a PGR petition within the first nine months of issuance. The challenger may raise any and all statutory grounds of invalidity against the challenged patents. After nine months, the challenger may bring an IPR petition, and is limited to 35 U.S.C. §§ 102 and 103 (anticipation and obviousness) based on patents and printed publications. 35 U.S.C. §311. Here, Foresight intends to rely on the same primary prior art references at issue in the Case 1 IPR proceedings in its petitions on the Case 2 patents. It is therefore most efficient to bring IPRs, not PGRs, against the Case 2 patents, as PGR petitions would require Foresight to interject and litigate numerous additional invalidity issues in the Case 2 PTAB proceedings. This would both impose needless expenses on Foresight and Personalis, as well as create unnecessary additional work for the PTAB.

Foresight has not delayed at all and is bringing its IPR petitions as soon as it is permitted to by statute. Personalis ignores that in both cases, Foresight has one year from service of the complaint to file its IPR petitions (35 U.S.C. §315(b)), yet it has in each instance filed IPRs promptly and well in advance of the one-year deadline. For Personalis to initiate meritless serial litigation against Foresight, and then attempt to dictate the specific manner in which Foresight utilizes the congressionally-enacted mechanisms for challenging patent validity at the PTAB, deserves (in Personalis's words) "a chutzpah award." 2023-01-05 Hr'g Tr. at 48:23.

V. Conclusion

For the foregoing reasons, Foresight respectfully requests that the Court consolidate Case 1 and Case 2, and stay the consolidated case in its entirety until completion of all parallel IPR proceedings.

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Respectfully submitted,

/s/ Joel D. Sayres

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CERTIFICATE OF SERVICE

I hereby certify that on October 20, 2023, I caused the foregoing document to be filed with the Clerk of Court using the CM/ECF system, which automatically will send electronic mail notification to counsel of record.

/s/ Shelley Meyer

Shelley Meyer