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**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.

**PLAINTIFF PERSONALIS, INC.’S OPPOSITION TO DEFENDANT FORESIGHT
DIAGNOSTICS, INC.’S MOTION TO CONSOLIDATE RELATED CASES**

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I. INTRODUCTION

Foresight seeks to stop all progress in this time-sensitive litigation based on three *inter partes* review (“IPR”) petitions that it has not even filed. In fact, Foresight cannot file the first IPR petition until the end of November 2023, and cannot file the other two IPR petitions until February 2024. Nevertheless, Foresight argues it would serve “judicial economy” and “efficiency” for the Court to consolidate Personalis’ two cases and stay both proceedings while we wait and see whether Foresight actually files IPR petitions relating to the new patents and whether the Patent Office institutes IPR proceedings in response.

Respectfully, Foresight’s motion is little more than a delay tactic designed to stall enforcement of Personalis’ patent rights. Consolidating and staying the cases at this juncture will not save time or effort because the two cases involve *different patents* with *different claims* that the Patent Office granted based on *different applications* containing *different information*. Thus, the cases are not likely to raise common legal and factual questions so as to warrant consolidation on this record. More fundamentally, the Court cannot adequately evaluate whether there is any overlap between the two cases because Foresight has not yet filed any IPR petitions challenging the new patents and has provided little insight into the arguments it might advance in those hypothetical future petitions. Nor has Foresight even stated that they will challenge all the claims that might be asserted in this case.

Consolidating and staying the cases would also significantly delay resolution of Personalis’ patent infringement claims and allow Foresight to continue infringing Personalis’ patent rights indefinitely, causing substantial prejudice to Personalis. As this Court has already acknowledged, Personalis and Foresight are direct competitors in a nascent market for tests that are used to monitor

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for cancer recurrence. Every day that Personalis’ claims are stalled, Foresight will be able to continue expanding its market share and violating Personalis’ patent rights on a broader scale. Accordingly, the harm that is likely to result from further delays is significant and not easily compensable. The Court should thus decline Foresight’s invitation to indefinitely block Personalis from enforcing its patent rights.

II. BACKGROUND

Since 2011, Personalis has worked to transform the management of cancer through breakthrough personalized testing. First Am. Compl. ¶ 8, No. 23-CV-1623, Dkt. No. 21 (“Case 2 FAC”). Personalis’ tests are used by many of the largest oncology-focused pharmaceutical companies for analysis of patient samples from their clinical trials. *Id.* ¶ 9. In 2021, Personalis launched NeXT Personal[®], a next-generation liquid biopsy assay designed to detect recurrence in patients previously diagnosed with cancer. *Id.* ¶ 10. NeXT Personal[®] has proven to be highly accurate and effective. Researchers in a leading study recently reported that NeXT Personal[®] “has performed better than other circulating tumor DNA assays in tracking patterns of response and tumor evolution in early-stage non-small cell lung cancer patients.” Ex. 1.

But in recent years, Foresight has launched a competing product that infringes Personalis’ patents. On August 2, 2022, Personalis filed its first case asserting patent infringement claims against Foresight, *Personalis, Inc. v. Foresight Diagnostics Inc.*, No. 1:22-CV-01913-CNS-NRN (“Case 1”). On January 24, 2023, the Court stayed Case 1 after Personalis filed IPR petitions challenging the validity of two of the four patents at issue in the case. Dkt. No. 55. In those IPR petitions, Foresight argued the patents were invalid because they were not sufficiently distinct from the prior art (*i.e.*, the information publicly available before Personalis filed patent applications

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claiming to have invented the technology) to constitute novel and non-obvious inventions. *See id.* at 2. Several months later, the Patent Office instituted IPR proceedings with respect to the patents at issue in Case 1. *See* Dkt. Nos. 63-4, 63-5.

Meanwhile, Personalis obtained three new patents. On February 21, 2023, the Patent Office issued United States Patent No. 11,584,968 (the “’968 Patent”). The Patent Office subsequently issued United States Patent No. 11,643,685 (the “’685 Patent”) and United States Patent No. 11,649,507 (the “’507 Patent”) on May 9, 2023, and May 16, 2023, respectively. As a testament to the strength of the ’968, ’507, and ’685 Patents, the Patent Office considered the prior art that Foresight relied on in its IPR petitions challenging the four patents at issue in Case 1, and granted the new patents in the face of those prior art references. Case 2 FAC ¶¶ 31-34. In other words, the Patent Office determined that the new patents were sufficiently different from the prior art to constitute novel and non-obvious inventions. *See id.*

On June 26, 2023, shortly after the Patent Office granted the three new patents, Personalis filed a second case asserting that Foresight is infringing the ’968, ’507, and ’685 Patents, *Personalis, Inc. v. Foresight Diagnostics Inc.*, No. 1:23-cv-01623-CNS-NRN (“Case 2”). Nearly four months later, Foresight filed its motion to consolidate Cases 1 and 2 and to stay both proceedings pending resolution of Foresight’s IPR petitions. Dkt. No. 63. However, Foresight has not filed any IPR petitions challenging the validity of the ’968, ’507, and ’685 Patents.

III. ARGUMENT

A. The Cases Should Not Be Consolidated At This Juncture

Federal Rule of Civil Procedure 42(a) states that, “[i]f actions before the court involve a common question of law or fact, the court may ... consolidate the actions.” Consolidation is a

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procedural tool used to “accomplish[] ... considerations of judicial economy and fairness.” *Checkers Indus. Prod., LLC v. Indus. Advanced Techs., Inc.*, 2023 WL 2681913, at *3 (D. Colo. Feb. 17, 2023) (citation omitted). “The court generally weighs the saving of time and effort that consolidation would produce against any inconvenience, delay, or expense that consolidation would cause.” *Touchstone Grp., LLC v. Rink*, 2012 WL 2921223, at *2 (D. Colo. July 16, 2012) (citation omitted). “The party seeking consolidation has the burden to establish that consolidation would promote trial convenience and economy in administration or that it would suffer an injury in the absence of consolidation.” *Checkers Indus.*, 2023 WL 2681913, at *2 (citation omitted). Foresight has failed to meet its burden. It would be premature to consolidate the cases at this time.

1. The Cases Raise Different Legal And Factual Questions Because The New Patents Are Different Than The Patents In The First Case

Consolidation is premature at this point because the cases may well involve distinct issues of law and fact. *See, e.g., Safe Streets All. v. Alternative Holistic Healing, LLC*, 2015 WL 4512312, at *1-2 (D. Colo. July 27, 2015) (finding “nothing to be gained by prematurely consolidating” actions lacking “common issues of fact”). In challenging the Case 1 patents, Foresight argued the patented “diagnostic method was known in the prior art years before the earliest priority date for Personalis’ patents, which would make the Personalis patents invalid.” *See* Dkt. No. 55 at 2. In Case 2, the three new patents are far less susceptible to that type of invalidity challenge. Indeed, the Patent Office “granted the ’968, ’507, and ’685 Patents over various prior art references that Foresight Diagnostics recently relied upon” in its “four IPR filings” challenging the Case 1 patents. Case 2 FAC ¶ 31. With respect to two of the newly asserted patents, for instance, Personalis intentionally delayed issuance after the claims were first allowed so that the Patent Office could have a full opportunity to review the prior art that Foresight relied upon in its IPRs. Foresight

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alleges that the IPR prior art references were less than 5% of the total references Personalis submitted to the Patent Office in the newly asserted patents during the course of prosecution, conveniently omitting the fact that Personalis specifically brought Ley, Leary, Forshew and Foresight’s other IPR prior art references to the attention of the Patent Office in Information Disclosure Statements (IDS) filed with the Patent Office in December 2022, January 2023 and March 2023; Foresight’s IPR references constitute the majority of the non-patent prior art references listed in these IDS. *See* Exs. 2-4. In other words, in assessing the patent applications at issue in Case 2, the Patent Office specifically considered the prior art that Foresight relies on in Case 1. *Id.* ¶¶ 32-34. And the Patent Office determined the invention Personalis sought to patent was sufficiently novel and distinct from that prior art to warrant granting Personalis’ patent applications. *Id.* As a result, Foresight cannot rely on the same invalidity arguments in Case 2 that it has relied on in challenging the patents in Case 1. The legal and factual issues in the two cases are likely to be different.

Foresight argues the cases share common questions of law and fact because “the patents asserted in Case 2 are ... ‘related’ to the patents asserted in Case 1.” Dkt. No. 63 at 5. But Foresight admits that two of the three patents in Case 2—the ’968 and ’507 Patents—are in a completely different patent family from the patents in Case 1. *Id.* Foresight tries to gloss over those types of distinctions by vaguely asserting that the patents in the two cases “are directly related to each other” because there is overlap in the inventors. *Id.* But Foresight ignores the fact that Case 2 involves *new patents* with *new claims* that were *issued over the prior art* that Foresight asserts will invalidate the patents at issue in Case 1. Case 2 FAC ¶ 31. Foresight also argues there are common questions because, while prosecuting the ’968 and ’507 Patents in the Patent Office,

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Personalis “disclosed ... the prior art raised in Foresight’s IPRs” challenging the Case 1 patents. Dkt. No. 63 at 5. Foresight has it backwards. The fact that Personalis disclosed the prior art and that the Patent Office granted the patents over that prior art shows the Patent Office believed the Case 2 patents are sufficiently *different* from the prior art Foresight has raised in its existing IPR petitions.

Moreover, because Foresight has not indicated what issues it intends to raise in challenging the new patents, it is too soon to meaningfully assess whether there will be any overlap between the issues that will arise in the two cases. Foresight contends the two cases will “share common questions of law and fact because Personalis has exclusively accused the *same* diagnostic test ... of infringing all seven asserted patents.” Dkt. No. 63 at 5. But Foresight says nothing about the infringement, claim construction, or damages arguments it plans to raise in Case 2. And Foresight acknowledges it has not even filed IPR petitions against the new patents. *See id.* at 3 (noting that “Foresight *will file* IPR petitions” (emphasis added)). Foresight’s vague assertions that the two cases will raise common questions of law and fact are conclusory at best. *See, e.g., C.R. Bard, Inc. v. Med. Components, Inc.*, 2021 WL 2043206, at *4 (D. Utah May 21, 2021) (declining to consolidate cases involving different patents that were purportedly “related” because they did “not present substantially related questions of law and fact”). “The potentially significant legal and factual differences between the two actions caution against the premature consolidation of the two actions.” *Rancho Agricola Santa Monica, S. de R.L. de C.V. v. Westar Seeds Int’l, Inc.*, 2009 WL 3148756, at *2 (S.D. Cal. Sept. 29, 2009).

**2. Consolidation Would Not Aid Judicial Economy Or Efficiency
Because The Cases Involve Different Patents**

Consolidating the cases at this time would not promote judicial economy or efficiency.

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There is “little risk of substantial duplication of labor or inconsistent verdicts” in the two cases because there are “no overlapping patents between the cases.” *C.R. Bard*, 2021 WL 2043206, at *4; *see also Anselmo v. County of Shasta*, 2012 WL 13046421, at *1 (E.D. Cal. Aug. 6, 2012) (“[I]t is too early for the court to determine whether consolidation would serve the interests of convenience and judicial economy.”). Foresight speculates that “discovery in the two cases will focus on the same issues, documents, and witnesses” because “the cases raise related issues on infringement, validity, and damages.” Dkt. No. 63 at 8. The parties are more than capable of coordinating any overlapping discovery. But the overlap between the cases is unclear at this point. As discussed above, the three new patents in Case 2 involve different patent applications with different claims than the patents in Case 1. *See* Case 2 FAC ¶¶ 13-30. And the Patent Office granted all three of the new patents in Case 2 over the prior art that Foresight has relied on in challenging the patents in Case 1. *Id.* ¶¶ 31-34. Thus, the evidence concerning the prosecution history and validity of the new patents will be distinct from the evidence in Case 1. Courts have denied motions to consolidate under similar circumstances. *See, e.g., C.R. Bard*, 2021 WL 2043206, at *4-5.

3. Consolidation Is Likely To Cause Inconvenience, Delay, and Prejudice to Personalis By Allowing Foresight To Continue Infringing

Consolidation at this juncture “would serve only to improperly delay” resolution of Personalis’ claims and cause significant prejudice to Personalis. *See C.R. Bard*, 2021 WL 2043206, at *5; *accord* Order, *Vermeer Manu. Co. v. Toro Co.*, No. 4:19-cv-00050-CRW-HCA (S.D. Iowa April 11, 2019) (“[C]onsolidation of this case with a case already stayed for claim reexamination may cause a lengthy delay before final trial preparation can be completed. So a final decision on consolidation may be premature.”). Case 1 has now been pending for over a year

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and has been stayed since January. Dkt. Nos. 1, 55. During that time, Foresight has continued to infringe both the patents at issue in Case 1 and the patents at issue in Case 2. *See* First Am. Compl. ¶¶ 37-39, No. 22-CV-1913, Dkt. No. 9; Case 2 FAC ¶¶ 35-45. That ongoing infringement is likely to cause substantial harm to Personalis. Indeed, a plaintiff has “an interest in the timely and cost effective enforcement of its patent rights.” *Chrimar Sys., Inc. v. Adtran, Inc.*, 2016 WL 4080802, at *2 (E.D. Tex. Aug. 1, 2016). And “[w]hen two parties are in competition in the marketplace, there is a risk that a patent-holder whose patent is being infringed will be prejudiced in ways that are not easily calculated to render monetary damages.” *Well Master Corp. v. Flowco Prod. Sols., LLC*, 2022 WL 4129399, at *6 (D. Colo. Sept. 12, 2022). As this Court has already found, Personalis and Foresight “are direct competitors.” Dkt. No. 55 at 10.

The potential prejudice is especially acute in this case given the nascent and burgeoning state of the market, as confirmed by Foresight’s own evidence, including the declaration from Jacob Chabon, its CEO and founder. *See* Dkt. No. 36-1. As Dr. Chabon explains, “[t]oday, there are 18.1 million cancer survivors in the U.S. that could benefit from improved MRD testing, and according to the American Cancer Society that number is expected to grow to approximately 26 million individuals in 2040.” *Id.* ¶ 8. Dr. Chabon states that he is “aware of more than 10 other companies, including multi-billion dollar public companies, currently developing MRD diagnostic tests.” *Id.* The market for blood-based cancer testing products is thus at an inflection point, and is expanding rapidly. By its consolidation and stay request, Foresight seeks to give itself an expanded window to capture market share at a critical time. Thus, “[a]ny time saved by consolidation is decisively outweighed by inconvenience, delay, [and] expense in this case.” *Checkers Indus.*, 2023 WL 2681913, at *3 (citation omitted).

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Foresight does not dispute that the requested relief would significantly delay resolution of this case. Instead, Foresight argues that “[c]onsolidation would not prejudice Personalis” because “[b]oth cases are at the same early stage of the proceeding.” Dkt. No. 63 at 9-10. But courts routinely decline to order consolidation when it would delay resolution of the second action, even where “the parties have not completed extensive discovery ... because of the stays granted.” *Checkers Indus.*, 2023 WL 2681913, at *3; *see also Touchstone Grp.*, 2012 WL 2921223, at *3. Foresight also argues that “the fact that one action is stayed does not mean the cases should not be consolidated.” Dkt. No. 63 at 10. But that is precisely why the cases *should not* be consolidated at this time. The relief Foresight seeks would significantly delay resolution of Personalis’ claims and allow Foresight to continue infringing the three new patents indefinitely. *See, e.g., Well Master*, 2022 WL 4129399, at *6. That delay and prejudice outweighs any benefits that might result from consolidation. *See, e.g., Checkers Indus.*, 2023 WL 2681913, at *3; *Touchstone Grp.*, 2012 WL 2921223, at *3. Accordingly, the Court should deny Foresight’s motion to consolidate these cases.

B. A Stay Is Not Warranted

“[T]he power to stay proceedings is incidental to the power inherent in every court to control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants.” *Cocona, Inc. v. VF Outdoor, LLC*, 2018 WL 10910847, at *3 (D. Colo. Mar. 19, 2018). In assessing whether to grant a stay while an IPR petition is pending, courts typically consider: “(1) whether a stay will simplify the issues in question and streamline the trial; (2) whether discovery is complete and whether a trial date has been set; (3) whether a stay would unduly prejudice the nonmoving party or present a clear tactical advantage for the moving party;

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and (4) whether a stay will reduce the burden of litigation on the parties and on the court.” *Id.*

These factors do not warrant a stay in these cases.

1. A Stay Is Unlikely To Simplify The Issues Because Foresight Has Not Even Filed Its IPR Petitions

A stay is not likely to simplify the issues in this case because Foresight has not even filed IPR petitions for the three new patents at issue in Case 2, and it is unclear whether the Patent Office will institute IPR proceedings for those new patents. In fact, Foresight cannot even file its IPR petition for the first new patent until November 21, 2023, and cannot file IPR petitions for the other two patents until February 2024. *See* 35 U.S.C. § 311(c). Moreover, if Foresight actually files IPR petitions challenging the two new patents, it will take many months for the Patent Office to resolve them. Personalis will have three months to prepare a preliminary response to each of Foresight’s petitions. Once Personalis has submitted its preliminary responses, the Patent Office then has ***three additional months*** to decide whether it will dismiss or institute Foresight’s IPR petitions. *See* 35 U.S.C. § 314(b). Thus, the parties will likely not even know whether the IPRs will be instituted or denied for roughly six months after Foresight files them. In such circumstances, the stay will do nothing but stall an important case between competitors.

The majority rule across the country is to deny premature stay requests before the Patent Office has decided whether to institute IPR proceedings. *See, e.g., Wonderland Switzerland AG v. Britax Child Safety, Inc.*, 2020 WL 7075122, at *3 (D.S.C. Dec. 2, 2020) (stating that it was “wary of delaying a case while the parties wait for a review that may never come”); *Trover Group, Inc. v. Dedicated Micros USA*, 2015 WL 1069179, at *5 (E.D. Tex. Mar. 11, 2015) (collecting cases and explaining that the “majority of courts ... have postponed ruling on stay requests or have denied stay requests when the PTAB has not yet acted on the petition for review”); *DiCon*

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Fiberoptics, Inc. v. Preciseley Microtechnology Corp., 2015 WL 12859346, at *2 (N.D. Cal. Oct. 13, 2015) (“Until the PTAB makes a decision on whether to grant the IPR petition, any argument about whether the IPR process will simplify issues in this litigation is highly speculative.”).

This is the rule that is followed in the jurisdictions that have the heaviest loads of patent cases, such as the District of Delaware. Judge Leonard Stark, who now sits on the Federal Circuit (the national appeals court for patent cases) but was previously a district judge in Delaware, has explained that “[g]enerally, the ‘simplification’ issue does not cut in favor of granting a stay prior to the time the PTAB decides whether to grant the petition for inter partes review.” *Copy Protection LLC v. Netflix, Inc.*, 2015 WL 3799363, at *1 (D. Del. June 17, 2015); *M2M Sols. LLC v. Amazon.com, Inc.*, No. 1:18-cv-01532-LPS, D.I. 27 (D. Del. Aug. 23, 2019) (stating that it is the Court’s “typical protocol” to deny pre-institution motions to stay); *see also Invensas Corp. v. Samsung Elecs. Co.*, 2018 WL 4762957, at *6 (D. Del. Oct. 2, 2018); *Universal Secure Registry, LLC v. Apple Inc.*, 2018 WL 4486379, at *5 (D. Del. Sept. 19, 2018).

Courts in this district similarly follow this common-sense rule. *See, e.g., Hunter Douglas, Inc. v. Nien Made Enter. Co. Ltd.*, 2014 WL 8807333 (D. Colo. Jan. 14, 2014) (“At this stage of this case, the USPTO has not yet decided whether to review the four patents in question for *inter partes* review.”); *Cocona, Inc. v. VF Outdoor, LLC*, 2018 WL 10910847, at *5 (D. Colo. Mar. 19, 2018) (“The court finds that until the PTAB decides whether to institute the IPR petition, this issue weighs against a stay.”).

It is true the Court previously 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

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instituted.” Dkt. No. 55 at 11. But here, Foresight has not even filed IPR petitions challenging the new patents yet and has not identified the arguments it intends to raise. *See* Dkt. No. 63 at 3. Therefore, any argument that those not-yet-filed IPR petitions might simplify the issues in this case would be unsupported and speculative. Under those circumstances, Foresight cannot argue in good faith that the IPR petitions it supposedly plans to file challenging the Case 2 patents are likely to simplify the issues in this case. Indeed, the simplification issue weighs even more heavily against a stay where, as here, the defendant “has not filed IPR petitions with respect to all of the asserted patents.” *Sound View Innovations, LLC v. Hulu, LLC*, 2018 WL 6038289, at *4 (C.D. Cal. July 11, 2018).

As a result, Foresight does not even attempt to argue that the IPR petitions it plans to file for the Case 2 patents are likely to simplify the issues in these cases. Instead, Foresight argues “[t]he pending IPR proceedings on the *Case 1 patents*” will simplify the issues in Case 2 because those IPRs will supposedly “be informative for questions of validity for the Case 2 patents.” Dkt. No. 63 at 12 (emphasis added). But again, the three new patents at issue in Case 2 were issued over the prior art that Foresight argues will invalidate the four patents at issue in Case 1. Case 2 FAC ¶ 31. Thus, the Patent Office has already determined the Case 2 patents are sufficiently distinct from the prior art Foresight is using to challenge the Case 1 patents. As a result, the Patent Office’s decisions on the IPR petitions challenging the Case 1 patents are unlikely to simplify the issues in Case 2.

Similarly, if Foresight actually files IPR petitions challenging the Case 2 patents, the Patent Office is far less likely to institute those IPR proceedings because the Patent Office already determined that the Case 2 patents are novel and non-obvious in comparison to the prior art

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Foresight has been relying on. And based on recent history in the Patent Office and the weakness of Foresight’s arguments concerning the new patents, there is no reason to believe it is likely the claims will be invalidated. As illustrated in Patent Office data, the Patent Office only cancelled all claims for 28% of patents that were challenged through IPR and Post Grant Review (“PGR”) proceedings in fiscal year 2023.¹ On the other hand, the Patent Office declined to even institute IPR or PGR proceedings for 26% of patents. *Id.* Thus, the most likely outcome is that at least some of Personalis’ claims will survive the IPRs, in which case this litigation will need to proceed.

Moreover, if Foresight was truly confident that the new patents were invalid, it would not have waited nine months to challenge those patents in the Patent Office. As Foresight acknowledges, it could have challenged the new patents immediately after the Patent Office granted them by filing PGR petitions. *See* Dkt. No. 63 at 15; *see* 35 U.S.C. § 321. But Foresight deliberately chose not to do so. Foresight has instead decided to wait until it is allowed to file IPR petitions against the three new patents nine months later. Foresight argues it did not file PGR petitions because it did not want to “litigate numerous additional invalidity issues” in the Patent Office. *Id.* But nothing required Foresight to raise additional invalidity issues as part of a PGR petition. *See* 35 U.S.C. § 321(b). If Foresight believed its prior art arguments would lead to invalidation of the new patents, Foresight could have simply raised those issues in PGR petitions.

2. A Stay Would Prejudice Personalis By Allowing Foresight To Continue Infringing

As discussed above, Personalis will suffer significant prejudice if the Court consolidates these cases and grants a stay. In fact, when deciding whether to stay Case 1, the Court already

¹ U.S. PATENT & TRADEMARK OFFICE, PTAB TRIAL STATISTICS 11 (Fiscal Year 2023), https://www.uspto.gov/sites/default/files/documents/ptab_aia_fy2023__roundup.pdf.

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found that the prejudice factor “weighs against a stay” because Personalis and Foresight “are direct competitors.” Dkt. No. 55 at 10. Indeed, “[a] common complaint among litigating patent-holders is that a stay prevents them from vindicating their patent rights for an extended period of time. This prejudice is heightened when parties to litigation are direct competitors; in such cases, courts presume that a stay will prejudice the non-movant.” *ADA Sols., Inc. v. Engineered Plastics, Inc.*, 826 F. Supp. 2d 348, 350-51 (D. Mass. 2011); accord *Well Master*, 2022 WL 4129399, at *6; *Courtesy Prod., L.L.C. v. Hamilton Beach Brands, Inc.*, 2015 WL 5145526, at *2 (D. Del. Sept. 1, 2015); *Avago Techs. Fiber IP (Singapore) Pte. Ltd. v. IPtronics Inc.*, 2011 WL 3267768, at *5 (N.D. Cal. July 28, 2011). “Courts routinely deny requests for stay during the pendency of PTO proceedings where the parties are direct competitors.” *Everlight Elecs. Co. v. Nichia Corp.*, 2013 WL 1821512, at *8 (E.D. Mich. Apr. 30, 2013).

Nevertheless, Foresight argues that “competition between the parties” is “attenuated” because Personalis recently launched a new product for “use in the care of patients,” and Foresight does not yet have a corresponding product on the market. Dkt. No. 63 at 12-13. Once again, Foresight suggests the two companies participate in two completely different markets, with Foresight selling only a research product and Personalis selling only a clinical product to physicians and patients. That is flat wrong.

Even though Personalis recently launched a diagnostic version of its test for patients, it continues to offer a research use only of its product to biopharma. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Dkt. No. 38. And as this Court already found,

“Foresight and Personalis are direct competitors in a nascent market for tests that can be used to monitor for recurring cancer by detecting tiny amounts of tumor DNA that are present in the blood of a cancer patient.” Dkt. No. 55 at 9. “These tests are being (or can be) used by pharmaceutical companies to validate new therapeutic drugs to address cancer.” *Id.* And “[t]here is evidence that industry groups and marketplace participants frequently compare the Foresight and Personalis assays side-by-side.” *Id.* Thus, this factor weighs heavily against a stay.

3. A Stay Would Not Reduce The Burden On The Court And Parties

As discussed above, a stay pending the outcome of the IPR proceedings is unlikely to simplify the issues in this case, and by the same token, it would not reduce the burden on the Court and the parties. Foresight repeats its argument that a stay will reduce litigation burdens because the “IPR proceedings on the first four patents” will supposedly “be highly informative of validity issues” on the new patents. Dkt. No. 63 at 13. Again, Foresight ignores the fact that the Patent Office granted the new patents over the prior art that Foresight relies on in the IPR proceedings challenging those first four patents. Foresight also argues that “[i]t would make little sense to litigate this case while awaiting institution decisions” on the IPR petitions that Foresight has not yet filed. Dkt. No. 63 at 13-14. Again, it is premature for Foresight to ask the Court to consolidate and stay Case 2 before Foresight has even filed the IPR petitions. There is no indication that the Patent Office will initiate IPR proceedings if and when Foresight files the IPR petitions.

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Furthermore, even if Foresight files the IPR petitions, the Court and the parties are not likely to engage in substantial work while the Patent Office considers whether to institute IPR proceedings. Although the parties have not yet proposed a schedule for Case 2, during the first several months of the case, the parties are likely to focus on preparing contentions and the initial phases of discovery. Foresight is supposedly preparing IPR petitions as we speak, so the work it does preparing those petitions will largely overlap with any work it might need to do in connection with its invalidity contentions and claim construction disclosures in Case 2. Likewise, the Court will have little, if any, work to do related to Case 2 over the coming months. The *Markman* claim construction hearing has not been scheduled yet, and summary judgment and trial are even further down the road. Because a stay will not lift the burden of work for the Court and parties, this factor weighs against a stay. *See, e.g., Cocona*, 2018 WL 10910847, at *4.

4. The Stage Of The Case Does Not Justify A Stay

The Court previously held that this factor weighed in favor of a stay. Dkt. No. 55 at 12-13. But the other factors overwhelmingly weigh against a stay. Thus, a stay remains unwarranted. *See, e.g., SAGE Electrochromics, Inc. v. View, Inc.*, 2015 WL 66415, at *2 (N.D. Cal. Jan. 5, 2015) (“Although the litigation has not advanced to the point where a stay would be untenable, the PTO has not yet decided whether to open IPR proceedings and SAGE has submitted compelling evidence of the competitive injury it would suffer as a result of a stay.”); *Camelbak Prod., LLC v. Zak Designs, Inc.*, 2022 WL 2348676, at *2 (W.D. Ark. June 29, 2022) (similar); *SZ DJI Tech. Co. v. Yuneec Int’l Co.*, 2016 WL 9114148, at *2, *4 (C.D. Cal. Dec. 1, 2016) (similar).

IV. CONCLUSION

For these reasons, the Court should deny Foresight’s motion to consolidate the cases and

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to stay the consolidated cases in their entirety.

Dated at Redwood City, California, this 8th day of November, 2023.

Respectfully submitted,

/s/ Edward R. Reines

Edward R. Reines

Derek C. Walter

WEIL, GOTSHAL & MANGES, LLP

201 Redwood Shores Parkway

Redwood Shores, CA 94065

Telephone: (650) 802-3000

Email: edward.reines@weil.com

Email: derek.walter@weil.com

Attorneys for Plaintiff Personalis, Inc.

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CERTIFICATE OF SERVICE

I hereby certify that on November 8, 2023, I electronically filed the foregoing **PLAINTIFF PERSONALIS, INC.’s OPPOSITION TO DEFENDANT FORESIGHT DIAGNOSTICS, INC.’s MOTION TO CONSOLIDATE RELATED CASES** with the Clerk of the Court using the CM/ECF system which will send notification of such filing to all counsel of record.

Joel D. Sayres
FAEGRE DRINKER BIDDLE & REATH LLP
1144 15th Street, Suite 3400
Denver, CO 80202
Telephone: 303-607-3500
Facsimile: 303-607-3600
Email: joel.sayres@faegredrinker.com

Morgan Chu
Alan Heinrich (admission pending)
Andrew Krause
Jordan Nafekh
IRELL & MANELLA LLP
1800 Avenue of the Stars, Suite 900
Los Angeles, California 90067
Telephone: (310) 277-1010
Facsimile: (310) 203-7199
mchu@irell.com
aheinrich@irell.com
akrause@irell.com
jnafekh@irell.com

Amir Naini
NAINI P.C.
2632 Wilshire Blvd., Suite 268
Santa Monica, CA 90403
Telephone: 310-592-3030
Facsimile: 310-453-9008
Email: amir@nainipc.com

Counsel for Defendant Foresight
Diagnostics Inc.

Counsel for Defendant Foresight Diagnostics Inc.

/s/ Edward R. Reines

Edward R. Reines
WEIL, GOTSHAL & MANGES, LLP
201 Redwood Shores Parkway
Redwood Shores, CA 94065
Telephone: (650) 802-3000
Email: edward.reines@weil.com