

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

**AKOUSTIS TECHNOLOGIES, INC. AND
AKOUSTIS, INC.,**

Plaintiff,

vs.

QORVO, INC.,

Defendant.

Civil Action No. 2:23-cv-180-JRG-RSP

JURY TRIAL

**AKOUSTIS TECHNOLOGIES, INC. AND AKOUSTIS, INC.'S OPPOSED MOTION
FOR LEAVE TO FILE AN AMENDED COMPLAINT TO ADD CORNELL
UNIVERSITY AND CORNELL RESEARCH FOUNDATION, INC. AS CO-PLAINTIFFS**

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<u>Exhibit</u>	<u>Document</u>
1	License Agreement Between Akoustis Technologies, Inc. and Cornell University for US Patent No.: US 7,250,360 B2 (Docket No. D-2759) CTL Contract No. C2017-11-10985, dated August 23, 2016 (<u>SEALED</u>)
2	Amended and Restated License Agreement Between Akoustis Technologies, Inc. and Cornell University for US Patent No.: US 7,250,360 B2 (Docket No. D-2759) CTL Contract No. C2017-11-10985, dated March 22, 2024 (<u>SEALED</u>)
3	Email chain between counsel for Akoustis and counsel for Qorvo, dated March 25, 2024 through April 11, 2024 (<u>FTP INFORMATION REDACTED</u>)
4	Email chain between counsel for Akoustis and counsel for Qorvo, dated March 18, 2024 through April 28, 2024
5	Proposed Plaintiffs' First Amended Complaint, <i>Akoustis Techs., Inc. v. Qorvo, Inc.</i> , No. 2:23-cv-180 (E.D. Tex.)
6	Redline of Plaintiffs' First Amended Complaint, <i>Akoustis Techs., Inc. v. Qorvo, Inc.</i> , No. 2:23-cv-180 (E.D. Tex.) against Akoustis' Original Complaint, <i>Akoustis Techs., Inc. v. Qorvo, Inc.</i> , No. 2:23-cv-180 (E.D. Tex.)

I. INTRODUCTION

Plaintiffs Akoustis Technologies, Inc. and Akoustis, Inc. (collectively “Akoustis”) file this motion for leave to amend the complaint to join Cornell University and Cornell Research Foundation, Inc. (collectively “Cornell”) as co-plaintiffs in this action. Akoustis makes this motion to moot the issue of whether Akoustis has standing to bring this suit on its own, as raised by Defendant Qorvo, Inc. (“Qorvo”) in its motion to dismiss (Dkt. 17). The granting of this motion under Federal Rules of Civil Procedure 15(a), 16 and 21 promotes judicial economy and undisputedly places all parties that may have an interest in the Patent-in-Suit (U.S. Patent No. 7,250,360) before this Court. Despite its own request that the Court grant leave for Cornell to be added as a co-plaintiff as part of its motion to dismiss, Qorvo now opposes its previously requested relief.

II. FACTUAL AND PROCEDURAL BACKGROUND

A. Cornell, Akoustis, and Akoustis’ Filing of the Present Litigation

Preceding the filing of this litigation, and continuing through today, Cornell has owned the Patent-in-Suit. Akoustis is the exclusive licensee of the Patent-In-Suit through the exclusive license agreement titled “License Agreement Between Akoustis Technologies, Inc. and Cornell University for US Patent No.: US 7,250,360 B2 (Docket No. D-2759) CTL Contract No. C2017-11-10985.” Ex. 1.

Akoustis brought this action against Qorvo for infringement of the Patent-in-Suit. Dkt. 1. Qorvo moved to dismiss this action on the grounds that Akoustis lacks “all substantial rights” to bring suit without adding Cornell. Dkt. 17. Qorvo requested that “Akoustis should be granted leave to add Cornell as a plaintiff,” but that “[i]f Akoustis is unable or unwilling to add Cornell, then the case must be dismissed under § 281.” *Id.* at 12. Akoustis responded to Qorvo’s motion by explaining that Akoustis did in fact have “all substantial rights” necessary to bring suit in its own

name. Dkt. 28. Qorvo thereafter filed a reply brief and Akoustis filed a sur reply brief. Dkts. 33, 43. A decision on Qorvo's motion to dismiss remains pending.

B. Cornell and Akoustis Amend Their Exclusive License Agreement

Akoustis and Cornell thereafter entered an amended exclusive license agreement on March 22, 2024. Ex. 2. That amended agreement is titled "Amended and Restated License Agreement Between Akoustis Technologies, Inc. and Cornell University for US Patent No.: US 7,250,360 B2 (Docket No. D-2759) CTL Contract No. C2017-11-10985." *Id.*

C. Akoustis Seeks Leave to Add Cornell as a Co-Plaintiff

On the next business day after the amendment, Akoustis produced to Qorvo a copy of the Amended License Agreement and requested confirmation that Qorvo does not oppose adding Cornell to the case given that Qorvo asked for Cornell to join in its motion to dismiss. Ex. 3 ("On March 22, 2024, Cornell and Akoustis entered into an amended exclusive license agreement, which is included in the below production and found at AKTS_QRVO_00048053 - AKTS_QRVO_00048078. ... [A]s requested by Qorvo in its motion to dismiss (Dkt. 14 at 12), Akoustis and Cornell plan to seek leave to add the Cornell entities as plaintiffs in this matter. Please confirm you do not oppose.").

D. Qorvo Refuses to Allow Cornell to Join Without Delaying Trial

Qorvo's response to Akoustis' request to add Cornell was not straightforward. Qorvo confirmed that Qorvo does not oppose Akoustis seeking leave to file an amended complaint adding Cornell entities to the case and asked for a proposed amended complaint. Ex. 3 ("Qorvo does not oppose Akoustis seeking the Court's leave to add Cornell University, Cornell's Center for Technology Licensing, and Cornell Research Foundation, Inc. (collectively, the 'Cornell Entities') as plaintiffs to this lawsuit. Please send us the proposed amended pleading adding the Cornell Entities for our review."). However, Qorvo also asked for an extension to the case schedule—

including delaying trial—on the grounds that the deadline to join parties had passed. *Id.* (“In light of the timing of Akoustis’ proposed addition of three new plaintiffs to the case [including that the deadline to join additional parties was July 27, 2023] (Dkt. 46), we believe an extension of the current discovery and trial schedule is needed. Please find attached our proposed modifications to the schedule.”). Akoustis promptly provided a proposed amended complaint, but disagreed any extension was warranted. *Id.* (“Attached is a copy of a proposed first amended complaint as well as a redline against the original complaint. ... We disagree that an extension is warranted or needed, and the July 27, 2023 deadline to add parties is not a reason for such an extension. The substantial completion deadline is two months away, and the end of fact discovery is five months away. Cornell will abide by those deadlines, which gives the parties ample time to complete discovery under the current schedule.”).

The parties’ lead and local counsel met and conferred on April 12, 2024. During that meet and confer, Qorvo’s counsel again asked that Akoustis consider delaying the trial in this case, but alternatively suggested that Qorvo would propose a schedule that did not move the trial date. Ex. 4 (“Based on the meet and confer we understood you’d be providing that [a revised schedule that contemplates Cornell being added but doesn’t move the trial date] by April 19, but we haven’t heard.”). Ten days later, having not seen Qorvo’s new proposed schedule that left the current trial date intact or otherwise heard from Qorvo, Akoustis reached out to Qorvo to ask about that new schedule, to confirm that Akoustis does not agree to move the trial date, and to seek Qorvo’s final position on adding Cornell. *Id.* (“As to Cornell, we’ve conferred with our clients on scheduling and Akoustis/Cornell do not agree to move the trial date. Please let us know Qorvo’s position on Akoustis’ motion for leave to file the previously-attached amended complaint adding Cornell as a party.”). Qorvo did not respond, so Akoustis followed up to get Qorvo’s position. *Id.* (“Please

advise regarding the below issues so that we can run the issues to ground, including by raising any with the Court where the parties are at an impasse.”).

Qorvo finally responded to Akoustis by refusing to agree to add Cornell. *Id.* Because the parties are at an impasse on joining Cornell as a Co-Plaintiff, Akoustis files the present motion seeking a judicial remedy.

III. ARGUMENT

A. The Joinder of Cornell Moots Any Alleged Standing/Joinder Defects

Standing is a jurisdictional issue not subject to waiver that may be raised as a defense at any time in the proceedings, even on appeal. *See Lewis v. Casey*, 581 U.S. 343, 349 n.1 (1996); *Bellehumeur v. Bonnett*, 127 Fed. Appx. 480, 483-85 (Fed. Cir. March 8, 2005) (remanding for the district court to determine standing issue raised on appeal). Where an exclusive licensee brings an infringement action in its name alone but lacks all substantial rights in a patent, then the joinder of the patent holder by amended pleading cures any standing infirmity asserted by a defendant against the original plaintiff. Thus, in *Schering Corp. v. Amgen Inc.*, 969 F. Supp. 258, 265 (D. Del. 1997), the court held that “even if Schering [the exclusive licensee which claimed to have all substantial rights in the patent at issue] did not have standing to sue alone, joinder of Biogen [the patent owner] in the amended complaint cured any standing defects.” Similarly, in *Amp Inc. v. Methode Elec. Inc.*, 823 F. Supp. 259, 270 (M.D. Pa. 1993), the court granted the exclusive licensee’s motion to add the patent owner as a co-plaintiff in an infringement suit because “[a]llowing the proposed amendment will, in fact, remedy defendant’s contention that the case should not be permitted to go forward without the joinder of the patent owner” Assuming *arguendo* that the August 23, 2016 agreement between Akoustis and Cornell did not transfer all substantial rights in the Patent-in-Suit to Akoustis, then joinder of Cornell will cure any standing defects asserted by the Qorvo and eliminate any possible need for a new trial.

Where, as here, the patent owner “wishes to participate in an infringement action,” the court should allow it to do so. *Abbott Labs v. Diamedix Corp.*, 47 F.3d 1128, 1133 (Fed. Cir. 1995). The courts routinely rely upon Federal Rule of Civil Procedure 15(a) (providing that leave to amend a pleading “shall be freely given when justice so requires”) and Federal Rule of Civil Procedure 21 (vesting the Court with authority to add a plaintiff “by order of the court on motion of any party or of its own initiative at any stage of the action and on such terms as are just”) to add patent owners as co-plaintiffs to suits initially commenced by exclusive licensees having less than all substantial rights. *E.g., Aspex Eyewear, Inc. v. E’Lite Optik, Inc.*, Civ. A. 398CV2996D, 2002 WL 1751381, at *24 (N.D. Tex. 2002); *Intellectual Property Develop. v. TCI Cablevision of Cal., Inc.*, 248 F.3d 1333, 1348 (Fed. Cir. 2001). Akoustis does not believe the evidence suggests a lack of standing, but Qorvo’s assertion of such a deficiency justifies adding Cornell as a party now, despite the passage of the deadline to join parties set by this Court’s Docket Control Order.

B. The Court Should Allow Leave to File the Amended Complaint Under Federal Rule of Civil Procedure 16

Federal Rule of Civil Procedure 16(b) allows a party to modify the Court’s Docket Control Order upon a showing of good cause. The Court has broad discretion to allow scheduling order modifications and considers four elements to determine if modification is appropriate: (1) the explanation for the party’s failure to meet the deadline; (2) the importance of what the court is excluding; (3) the potential prejudice if the Court allows the thing that would be excluded; and (4) the availability of a continuance to cure such prejudice. *Good Sportsman Mktg. LLC v. Testa Assocs., LLC*, Case No. 6:05-cv-90, 2005 WL 2850302, at *6 (E.D. Tex. Sept. 1, 2005). A copy of the proposed amended complaint and a redline against the original are attached as Exhibits 5 and 6, respectively.

Explanation for Delay. Akoustis has previously explained why it possesses “all substantial rights” necessary to bring this suit in its own name. *See generally* Dkts. 28, 43. However, to avoid Qorvo’s standing challenge, Cornell recently agreed to join its exclusive licensee in the case and amended the license accordingly. Akoustis desires to add Cornell, in an abundance of caution, to put to rest any possibility that the litigation will be complicated, either pre- or post-trial, by a jurisdictional issue that does not need to be considered by the Court.

Importance. It is important to allow Akoustis to add Cornell to eliminate any need for the parties to litigate the standing issue and to allow this case to proceed expeditiously to the merits of the claims and defenses that are actually in dispute and need to be decided. Adding Cornell will promote judicial economy because it will avoid Qorvo raising standing as an issue at trial or on appeal and will eliminate the possibility that an appellate court might remand for consideration of the issue or that a retrial might be necessary.

Prejudice & Potential Continuance. The addition of Cornell will not prejudice Qorvo procedurally or substantively and does not require an extension of fact discovery or a continuance of trial. The substantial completion discovery deadline (June 11, 2024) is two and a half months from when Akoustis raised adding Cornell with Qorvo (March 25, 2024). Dkt. 46. And the fact discovery deadline (September 9, 2024) is five and a half months from when Akoustis raised adding Cornell with Qorvo (March 25, 2024). *Id.* None of the infringement claims or invalidity, noninfringement, and unenforceability defenses will change. No additional substantive issues will be added to the lawsuit, and the propriety of Akoustis’ standing to sue, which Qorvo refuses to admit, will be conclusively established with the addition of Cornell.

Qorvo’s suggestions of prejudice during the meet and confer process are flimsy and meritless. First, Qorvo suggested that a continuance of discovery deadline and trial were needed

“[i]n light of the timing of Akoustis’s proposed addition of three new plaintiffs to the case (including that the deadline to join additional parties was July 27, 2023) (Dkt. 46).” Ex. 3. But pointing to the passing of the deadline to join parties alone does not actually explain the prejudice Qorvo allegedly would suffer from adding Cornell.

Second, Qorvo suggests that there is some discovery from Cornell that it has missed out on. Ex. 4 (“Although you have claimed that the Cornell plaintiffs will promptly produce relevant material and information, the fact is that Qorvo was entitled to this information nine months ago.”). But again, Qorvo provides no explanation for what that discovery is or what Qorvo would have done with the discovery had it received the discovery earlier. Nor does Qorvo account for the fact that the two inventors of the Patent-in-Suit responded to Qorvo’s subpoenas months ago by producing hundreds of pages of documents and offering deposition availability.

Moreover, Qorvo has little room to cast stones regarding discovery practices in this case. Recall that it was Qorvo that for many months refused to produce basic technical information to Akoustis—information Qorvo was required to produce under Patent Rule 3-4 and as relevant, basic discovery. Qorvo’s tactics required Akoustis to file a motion to compel, Dkt. 61, and Qorvo only agreed to produce the information a month a half later when the Court denied Qorvo’s motion to strike, Dkt. 70. It is also Qorvo that has thus far refused to produce basic financial information to Akoustis. Qorvo’s tactics now require Akoustis to file a forthcoming motion to compel.

IV. CONCLUSION

For the reasons set forth above, and in accordance with all the above-referenced legal authority, this Court should grant Akoustis leave to file an amended complaint adding Cornell.

Dated: May 1, 2024

McKool Smith, P.C.

/s/ John B. Campbell

John B. Campbell
Texas State Bar No. 24036314
jcampbell@McKoolSmith.com
James E. Quigley
Texas State Bar No. 24075810
jqigley@McKoolSmith.com
George T. Fishback, Jr.
Texas State Bar No. 24120823
gfishback@McKoolSmith.com
Caroline Burks
Texas State Bar No. 24126000
cburks@McKoolSmith.com

McKool Smith, P.C.
303 Colorado Street Suite 2100
Austin, TX 78701
Telephone: (512) 692-8700
Telecopier: (512) 692-8744

Samuel F. Baxter
Texas State Bar No. 01938000
sbaxter@McKoolSmith.com
Jennifer L. Truelove
Texas State Bar No. 24012906
jtruelove@McKoolSmith.com

McKool Smith, P.C.
300 Crescent Court, Suite 1500
Dallas, TX 75201
Telephone: (903) 923-9001
Telecopier: (903) 923-909

**ATTORNEYS FOR PLAINTIFFS
AKOUSTIS TECHNOLOGIES, INC.
AND AKOUSTIS, INC. AND CORNELL
UNIVERSITY AND CORNELL
RESEARCH FOUNDATION, INC.**

CERTIFICATE OF CONFERENCE

On March 25, 2024, counsel for Akoustis emailed counsel for Qorvo concerning adding the Cornell entities as parties in light of Qorvo's motion to dismiss on the grounds that Cornell is a necessary party. On April 2, 2024, counsel for Qorvo confirmed that Qorvo does not oppose the Cornell entities being added to the case, but asked for discovery and trial to be pushed. The parties' lead and local counsel met and conferred via Zoom on April 12, 2024. During that meet and confer Qorvo's counsel again asked that Akoustis consider delaying the schedule in this case, but alternatively suggested that Qorvo would propose a schedule that did not move the trial date. On April 23, 2024, having not seen Qorvo's new proposed schedule that left the current trial date intact or otherwise heard from Qorvo, Akoustis reached out to Qorvo to ask about that new schedule, to confirm that Akoustis does not agree to move the trial date, and to seek Qorvo's final position on adding Cornell. Qorvo had not responded by April 26, 2024, and so Akoustis followed up to get Qorvo's position. Finally, on April 28, 2024, Qorvo responded by email to Akoustis by refusing to agree to add Cornell.

/s/ John B. Campbell

John B. Campbell

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been served on all counsel of record via electronic mail and the Court's ECF system on May 1, 2024.

/s/ John B. Campbell

John B. Campbell