

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

ANONYMOUS MEDIA RESEARCH
HOLDINGS, LLC,

Plaintiff

v.

SAMSUNG ELECTRONICS CO., LTD.;
SAMSUNG ELECTRONICS AMERICA,
INC.,

Defendant.

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Civil Action No. 2:23-cv-00439

JURY TRIAL DEMANDED

**DEFENDANTS SAMSUNG ELECTRONICS CO, LTD.’S AND SAMSUNG
ELECTRONICS AMERICA, INC.’S MOTION TO STAY
PENDING *INTER PARTES* REVIEW INSTITUTION DECISIONS**

Defendants Samsung Electronics Co., Ltd. (“SEC”) and Samsung Electronics America, Inc. (“SEA”) (together, “Samsung” or “Defendants”) respectfully request a stay of this case until the U.S. Patent and Trademark Office Patent Trial and Appeal Board (“PTAB”) issues institution decisions in each of the *inter partes* review (“IPR”) proceedings of U.S. Patent Nos. 8,296,791 (the “’791 Patent”); 8,510,768 (the “’768 Patent”); 8,756,622 (the “’622 Patent”); 10,572,896 (the “’896 Patent”); 10,719,848 (the “’848 Patent”); and 10,719,849 (the “’849 Patent”) (collectively “the Asserted Patents”), challenging every asserted claim of every patent asserted in this litigation by Plaintiff Anonymous Media Research Holdings, LLC (“AMRH” or “Plaintiff”), permitting the parties to provide a status report within thirty days of the last of the PTAB’s institution decisions on the pending IPRs.

I. INTRODUCTION

In the interest of judicial economy, Defendants respectfully request that the Court stay this litigation in its entirety pending institution decisions for each of Defendant SEC's¹ and non-party Roku, Inc.'s ("Roku") currently pending IPR petitions.² *See* Exs. A–I.³ The three factors governing stays in this District favor granting this motion.

First, Plaintiff's actions confirm that it will not suffer undue prejudice from a stay. In a case against Roku with the same asserted patents, Plaintiff agreed to a stay pending institution decisions on the same six Roku IPRs. Ex. J at 2–3.⁴ In addition, Plaintiff does not have any ongoing sales of products practicing the Asserted Patents and Plaintiff waited more than a year to bring suit against Samsung. Ex. K at 7–8; *see also* Ex. L at 4; Cornwell Decl. ¶ 14. Therefore, Plaintiff cannot argue that it will be prejudiced by a stay here.

Second, a stay should be granted because Defendants have timely filed this motion shortly after SEC and Roku filed the last of their IPR petitions challenging the Asserted Patents. This case is in an early stage: limited discovery has occurred, Plaintiff served infringement contentions on January 22, 2024, and Defendants served invalidity contentions on April 1, 2024, and amended invalidity contentions on August 26, 2024. Fact discovery is still open, no expert discovery has

¹ Although SEC filed Defendants' IPR petitions, each petition identifies SEA as a "real party in interest," such that any estoppel or stipulation arising from the IPRs equally binds both SEC and SEA.

² Institution decisions on the Roku IPRs are expected in February 2025. Ex. J at 2; institution decisions on the SEC IPRs are currently expected in March 2025. *See* 35 U.S.C. § 314(b); 37 C.F.R. § 42.107.

³ All exhibits referenced herein are attached to the Declaration of Grayson S. Cornwell ("Cornwell Decl."), filed concurrently herewith.

⁴ "[AMRH and Roku] shall provide a status report to this Court within thirty (30) days of the last of the PTAB's institution decisions on the pending Roku IPRs." Ex. J at 2.

begun, no dispositive or other substantive motions have been filed, and the Court will not hold its *Markman* Hearing until January 23, 2025. *Id.* at 3.

Third, a stay will simplify the issues before the Court because the petitions for IPR collectively challenge every claim currently asserted in this litigation.

All three factors support a stay here, and the Court should stay this case pending institution decisions for each of Defendant SEC's and Roku's IPRs.

II. BACKGROUND

This case is in its early stages. Samsung filed its Answer to AMRH's Complaint on January 15, 2024. Dkt. 23. Discovery is ongoing. The parties have exchanged initial and additional disclosures, and other discovery required by the local patent rules. The parties have served and responded to first sets of interrogatories. Samsung has also served subpoenas on third parties. But the bulk of discovery and other events in this case have yet to occur.

Roku filed six petitions for IPR, challenging every asserted claim of all six asserted patents:

- Ex. A, AIA Review No. IPR2024-01053 (challenging claims 1–11 of the '791 Patent);
- Ex. B, AIA Review No. IPR2024-01054 (challenging claims 1–15 of the '768 Patent);
- Ex. C, AIA Review No. IPR2024-01055 (challenging claims 1–13 of the '622 Patent);
- Ex. D, AIA Review No. IPR2024-01056 (challenging claims 1–13 of the '896 Patent);
- Ex. E, AIA Review No. IPR2024-01057 (challenging claims 1–15 of the '848 Patent);

- Ex. F, AIA Review No. IPR2024-01058 (challenging claims 1–13 of the ’849 Patent).

Roku filed the last of these petitions on July 17, 2024. *See* Ex. F at 116. Subsequently, on August 15, 2024, AMRH agreed to stay its litigation against Roku pending institution decisions on all six Roku IPRs. Ex. J at 2–3. Institution decisions for the Roku IPRs are expected in February 2025, and AMRH and Roku agreed to file a status report within thirty days of the last Roku IPR institution decisions. *Id.* at 2.

SEC filed three petitions for IPR, challenging every asserted claim of three of the asserted patents:

- Ex. G, AIA Review No. IPR2024-01348 (challenging claims 1–13 of the ’896 Patent);
- Ex. H, AIA Review No. IPR2024-01349 (challenging claims 1–13 of the ’849 Patent);
- Ex. I, AIA Review No. IPR2024-01350 (challenging claims 1–15 of the ’848 Patent).

SEC filed the last of these petitions on August 26, 2024. *See* Ex. I at 92.

These petitions present new invalidity arguments that were not previously considered by the Patent Office. For example, the patent examiner did not consider any of the prior art obviousness arguments during prosecution of the Asserted Patents. The petitions are also supported with expert opinion that the Patent Office did not have the benefit of during prosecution.

III. LEGAL STANDARD

The Court “has the inherent power to control its own docket, including the power to stay proceedings before it.” *Ericsson Inc. v. TCL Commc’n Tech. Holdings, Ltd.*, No. 2:15-CV-00011, 2016 WL 1162162, at *1 (E.D. Tex. Mar. 23, 2016). A stay pending IPR proceedings is especially justified where the outcome of the proceedings will likely simplify the case by helping the court

determine validity issues or eliminating the need to try infringement issues. *Id.* (citing *NFC Tech. LLC v. HTC Am., Inc.*, No. 2:13-CV-1058, 2015 WL 1069111, at *2 (E.D. Tex. Mar. 11, 2015)).

In determining how to manage its docket, a district court “must weigh competing interests and maintain an even balance.” *Customedia Techs. v. Dish Network Corp.*, No. 2:16-CV-129, 2017 WL 3836123, at *1 (E.D. Tex. Aug. 9, 2017) (citing *Landis v. N. Am. Co.*, 299 U.S. 248, 254–55 (1936)). When deciding whether to stay a case pending IPR, courts consider “(1) whether the stay will unduly prejudice the nonmoving party, (2) whether the proceedings before the court have reached an advanced stage, including whether discovery is complete and a trial date has been set, and (3) whether the stay will likely result in simplifying the case before the court.” *NFC Tech.*, 2015 WL 1069111, at *2. “Based on those factors, courts determine whether the benefits of a stay outweigh the inherent costs of postponing resolution of the litigation.” *Id.* As described below, each of these factors weighs in favor of granting a stay.

IV. ARGUMENT

All three factors considered by this Court weigh in favor of staying this case until institution decisions issue in each of the IPR proceedings.

A. AMRH Cannot Claim Undue Prejudice in Good Faith

AMRH will not suffer undue prejudice, which favors a stay. AMRH’s actions confirm this fact for three reasons: (1) AMRH has already agreed to a stay pending the same institution decisions of its litigation against Roku regarding the Asserted Patents; (2) AMRH has never commercialized a product that practices the Asserted Patents or licensed the Asserted Patents; and (3) AMRH waited more than a year to file this suit against Samsung.

First, AMRH has already agreed to a stay pending institution decisions on the same Roku IPRs in another matter. Ex. J at 2–3. Institution decisions for the Roku IPRs are expected in

February 2025, and AMRH and Roku agreed to file a status report within thirty days of the last IPR institution decision. *Id.* at 2. AMRH will not suffer undue prejudice here, especially since Samsung requests a similar scope of relief. *See Smarter Agent, LLC v. Mobilerealtyapps.com, LLC*, 889 F. Supp. 2d 673, 674, 666, 677 n.2 (D. Del. 2012) (granting a motion to stay pending *ex parte* reexamination where, *inter alia*, Plaintiff previously agreed to stay litigations against competitors concerning the same asserted patents).⁵

Second, “the mere fact of a delay alone does not constitute prejudice sufficient to deny a request for stay.” *E-Watch, Inc. v. Lorex Can., Inc.*, No. CIV.A. H-12-3314, 2013 WL 5425298, at *2 (S.D. Tex. Sept. 26, 2013). Instead, the Federal Circuit has held that the question of “whether the patentee will be unduly prejudiced by a stay . . . focuses on the patentee’s need for an expeditious resolution of its claim.” *VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d 1307, 1318 (Fed. Cir. 2014). AMRH confirmed via interrogatory response that it has not “commercialized a product for sale that practices any claim of the Patents-in-Suit nor licensed the Patents-in-Suit to third parties[.]” Ex. K at 7–8; *see also* Ex. L at 4 (“AMRH does not contend that any of its own instrumentalities presently practice any Asserted Claim of the Asserted Patents.”). Thus, should AMRH ultimately prove infringement, it will not be unduly prejudiced, because monetary relief will be sufficient to compensate AMRH for any damages, and a “stay will not diminish the monetary damages to which AMRH will be entitled if it succeeds in its infringement suit—it only delays realization of those damages and delays any potential injunctive remedy.”

⁵ AMRH noted during a meet and confer that it agreed to stay the Roku case in part because it was in a different posture. Cornwell Decl. ¶ 15. For example, AMRH claims that the Roku case is in an earlier stage, has no trial date, has a pending mandamus petition regarding a motion to transfer, and is in a different venue. *Id.* Putting aside the irrelevance of the venue, these other facts say nothing about AMRH’s alleged prejudice in this case. Instead AMRH’s agreement to stay in light of a mandamus petition shows that AMRH agrees that parties should not be expending unnecessary resources when other parallel proceedings are occurring.

VirtualAgility Inc., 759 F.3d at 1318; *Cellular Commc'ns Equip., LLC v. Samsung Elecs. Co.*, No. 6:14-cv-759, 2015 WL 11143485, at *2 (E.D. Tex. Dec. 16, 2015) (“[M]ere delay in collecting . . . damages does not constitute undue prejudice.” (internal citations omitted)).

Finally, AMRH waited to file this suit more than a year after it determined Samsung was allegedly infringing—twice as long as the requested stay—further confirming a stay pending IPR institutions will not cause AMRH any undue prejudice. *See* Cornwell Decl. ¶ 14; *see also* Dkt. 1.

In contrast, Samsung would be prejudiced without a stay, especially when considering the stay AMRH recently agreed to pending institution decisions of the same Roku IPRs. Samsung would continue to incur the expense and burden of defending against AMRH’s infringement allegations on a substantial number of patent claims that are likely to be invalidated by the PTAB. Samsung, without undue delay and within the statutory period required, filed its three petitions for IPR, challenging over 40 claims across three patents, filing the last petition less than five months after it served its invalidity contentions. And Roku separately filed six petitions for IPR, challenging 80 claims across six patents. Combined, the IPRs challenge every claim AMRH has asserted in this case. A stay will benefit both Samsung and AMRH because the IPR process provides “a more efficient and streamlined patent system that will . . . limit unnecessary and counterproductive litigation costs.” *MCM Portfolio LLC v. Hewlett-Packard Co.*, 812 F.3d 1284, 1290–91 (Fed. Cir. 2015) (quoting H.R. Rep. No. 112-98(I), 2011 U.S.C.C.A.N. 67, 69, at 39–40). Samsung diligently filed this motion roughly one week after filing its IPRs and seven weeks after Roku filed its IPRs.

Accordingly, the absence of undue prejudice to AMRH weighs in favor of a stay, particularly here where Samsung requests a similar scope of relief AMRH agreed to in another matter.

B. This Case Is Not in an Advanced Stage, and a Stay Will Likely Conserve Judicial and Party Resources

A stay will greatly reduce the burden on the Court and the parties. This case is in its early stages, and “there remains a significant amount of work ahead for the parties and the court,” which also weighs in favor of a stay. *Norman IP Holdings, LLC v. TP-Link Techs., Co.*, No. 6:13-cv-384-JDL, 2014 WL 5035718, at *3 (E.D. Tex. Oct. 8, 2014) (quoting *Destination Maternity Corp. v. Target Corp.*, No. Civ.A. No. 12–5680, 2014 WL 1202941, at *6 (E.D. Pa. Mar. 24, 2014)); *see also Landmark Tech., LLC v. iRobot Corp.*, No. 6:13-cv-411-JDL, 2014 WL 486836, at *3 (E.D. Tex. Jan. 24, 2014) (“Staying a case at an early juncture can advance judicial efficiency and maximize the likelihood that neither the court nor the parties expend their assets addressing invalid claims.” (quotation omitted)). Although the parties have already expended some resources on discovery, this factor favors a stay “even when the parties and/or the court have already devoted *substantial* resources to the litigation,” which has not yet occurred. *Norman IP Holdings*, 2014 WL 5035718, at *3 (emphasis added). Here, much of fact discovery, all expert discovery, and other significant events including the Court’s intervention to resolve disputes, which have not yet occurred, will impose “significant expenses on the parties that might be avoided if the stay results in the simplification (or obviation) of further court proceedings.” *NFC Tech.*, 2015 WL 1069111, at *3; *see also Versata Software, Inc. v. Callidus Software, Inc.*, 771 F.3d 1368, 1374 (Fed. Cir. 2014) (opinion vacated because the parties settled the case the day before the opinion issued).

Lastly, a stay would also conserve judicial resources by avoiding any need to revisit claim construction or orders in view of arguments advanced before the PTAB. *See Aylus Networks, Inc. v. Apple Inc.*, 856 F.3d 1353, 1364 (Fed. Cir. 2017) (“[S]tatements made by a patent owner during an IPR proceeding, whether before or after an institution decision, can be relied upon to support a finding of prosecution disclaimer.”).

Thus, the early stage of proceedings in this case also weighs in favor of a stay.⁶

C. IPR Proceedings Will Simplify or Eliminate Issues Thus Streamlining Litigation and Reducing Burdens on the Parties and This Court

“[T]he most important factor bearing on whether to grant a stay in this case is the prospect that the inter partes review proceeding will result in simplification of the issues before the Court.” *NFC Tech.*, 2015 WL 1069111, at *4. The IPR petition institution decisions will simplify the issues in this case. SEC’s and Roku’s pending IPR petitions challenge the validity of every asserted claim of each Asserted Patent. Thus, a stay is prudent and warranted. *Id.* at *2 (“A stay is particularly justified when the outcome of a PTO proceeding is likely to assist the court in determining patent validity or eliminate the need to try infringement issues.” (internal citations and quotations omitted)). Moreover, Samsung has already stipulated in each SEC IPR proceeding that “if the PTAB institutes this IPR petition, then Petitioner will not pursue in the parallel district court proceeding (the 439 action) any grounds that were raised or reasonably could have been raised in this IPR.” Ex. G at 80; Ex. H at 82; Ex. I at 89. Thus, mere institution of SEC’s IPR petitions is certain to simplify the issues before this Court.

Further, IPR proceedings, regardless of their outcome, will simplify the proceedings before the Court. Among other things, they are likely to inform the Court on the construction of claim terms relevant to issues of infringement and invalidity, narrow the scope of disputed facts, and provide the Court guidance and a developed record that may inform its own decision on eligibility for all patents. *See NFC Tech.*, 2015 WL 1069111, at *7 (determining that even where all claims were not reviewed during IPR proceedings “any disposition by the PTAB is likely to simplify the proceedings before this Court”); *see also Aylus Networks, Inc. v. Apple Inc.*, 856 F.3d 1353, 1364

⁶ As noted in footnote 5, the Roku case and this case are at different stages in their respective proceedings. Any comparison between the cases is irrelevant in determining whether *this* case has reached an advanced stage.

(Fed. Cir. 2017) (“[S]tatements made by a patent owner during an IPR proceeding, whether before or after an institution decision, can be relied upon to support a finding of prosecution disclaimer.”).

Thus, the third factor also weighs in favor of a stay.

V. CONCLUSION

For all the reasons above, Samsung respectfully requests the Court grant its motion to stay this case until the PTAB issues institution decisions in each of the *inter partes* review proceedings of the '791 Patent, '768 Patent, '622 Patent, '896 Patent, '848 Patent, and '849 Patent in AIA Review Nos. IPR2024-01053; IPR2024-01054; IPR2024-01055; IPR2024-01056; IPR2024-01057; IPR2024-01058; IPR2024-01348; IPR2024-01349; and IPR2024-01350, permitting the parties to provide a status report within thirty days of the last of the PTAB's institution decisions on the pending IPRs.

DATED: September 3, 2024

Respectfully submitted,

By: /s/ Allan M. Soobert

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CERTIFICATE OF CONFERENCE

Pursuant to Local Rules CV-7(h) and (i), counsel for the Defendants met and conferred with counsel for the Plaintiff on August 27, 2024 in a good faith attempt to resolve the matters raised by this motion. No agreement could be reached. Plaintiff indicated it opposes the relief requested by this motion. Thus, these discussions have conclusively ended in an impasse and leave an open issue for the Court to resolve.

/s/ Allan M. Soobert
Allan M. Soobert

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was filed electronically in compliance with Local Rule CV-5 on September 3, 2024. As of this date, all counsel of record has consented to electronic service and are being served with a copy of this document through the Court's CM/ECF system under Local Rule CV-5(a)(3)(A).

/s/ Allan M. Soobert
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