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

ADAPTIVE SPECTRUM AND SIGNAL ALIGNMENT, INC., Plaintiff, v. CHARTER COMMUNICATIONS, INC., et al, Defendants.	Case No. 2:24-cv-00124-JRG-RSP

REPORT AND RECOMMENDATION

Before the Court is the Motion to Transfer Venue to the District of Colorado Pursuant to 28 U.S.C. § 1404(a) or, in the alternative, Dismiss Pursuant to FRCP Rule 12(b)(6), filed by Defendant Charter Communications, Inc. ("CCI"). **Dkt. No. 32**. For the reasons discussed below, the Motion to Transfer is **DENIED**, and the Motion to Dismiss Pursuant to FRCP Rule 12(b)(6) should also be **DENIED**.

I. BACKGROUND

On February 21, 2024, Plaintiff Adaptive Spectrum and Signal Alignment, Inc. filed the instant suit against CCI; Charter Communications Operating, LLC; Charter Communications Holding Company, LLC; and Spectrum Management Holding Company, LLC. Dkt. No. 1. In their first amended complaint, Plaintiff alleges that CCI[1] infringes U.S. Patent Nos. 7,809,996; 10,848,398; 11,050,654; 11,477,108; and 11,770,313. 2:24-cv-029, Dkt. No. 70 at 1-2.[2]

[1] CCI is now the only remaining defendant in this case. *See* Dkt. No. 26 at 1-2.
[2] At the time, this case was consolidated with lead case 2:24-cv-029. On July 21, 2024, it was deconsolidated.

CCI filed the instant Motion to Transfer on September 13, 2024. Dkt. No. 32. In the Motion, CCI requests that the Court transfer this case to the District of Colorado. *Id.* at 1. Briefing on the instant motion is now complete.[3]

II. LEGAL STANDARD

A. Transfer Pursuant to 28 U.S.C. § 1404(a)

A federal district court may transfer a case "for the convenience of parties and witnesses" to "any other district or division where it might have been brought." 28 U.S.C. § 1404(a). Section 1404(a)'s threshold inquiry is whether the case could initially have been brought in the proposed transferee forum. *In re Volkswagen AG*, 371 F.3d 201, 202-03 (5th Cir. 2004) ("*Volkswagen I*"). The question of whether a suit "might have been brought" in the transferee forum encompasses subject matter jurisdiction, personal jurisdiction, and proper venue. *Id.* at 203. Only if this statutory requirement is met should the Court determine whether convenience warrants a transfer of the case. *See id.*; *In re Volkswagen of Am., Inc.*, 545 F.3d 304, 312 (5th Cir. 2008) ("*Volkswagen II*"). The burden to prove that a case could have been brought in the transferee forum falls on the party seeking transfer. *See Volkswagen II*, 545 F.3d at 315; *Humble Oil & Ref. Co. v. Bell Marine Serv., Inc.*, 321 F.2d 53, 56 (5th Cir. 1963).

With regard to venue specifically, the Judicial Code provides that 28 U.S.C. § 1400(b) is the "sole and exclusive provision controlling venue in patent infringement actions" and is not supplemented by the general venue statutes. *TC Heartland LLC v. Kraft Foods Grp. Brands LLC*, 581 U.S. 258, 266 (2017) (citing *Fourco Glass Co. v. Transmirra Prod. Corp.*, 353 U.S. 222, 229 (1957)). Pursuant to 28 U.S.C. § 1400(b), venue lies "in the judicial district where the defendant

[3] After Defendant filed the instant Motion, Plaintiff responded on August 22, 2023. Dkt. No. 65. Defendant then replied on August 30, 2023 (Dkt. No. 67), with Plaintiff sur-replying on September 6, 2023 (Dkt. No. 71).

resides" or "where the defendant has committed acts of infringement and has a regular and established place of business." 28 U.S.C. § 1400(b).

As to residence, "a domestic corporation 'resides' only in its State of incorporation for purposes of the patent venue statute." *TC Heartland LLC v. Kraft Foods Grp. Brands LLC*, 581 U.S. at 262.

As to a regular and established place of business, three elements must be met: (1) there must be a physical place in the district; (2) it must be a regular and established place of business; and (3) it must be the place of the defendant. *In re: Cray Inc.*, 871 F.3d 1355, 1360 (Fed. Cir. 2017).

Once the moving party has established that the instant case could have been brought in the transferee forum, the Court moves on to consider the private and public factors provided in *Volkswagen I.* The private interest factors are "(1) the relative ease of access to sources of proof; (2) the availability of compulsory process to secure the attendance of witnesses; (3) the cost of attendance for willing witnesses; and (4) all other practical problems that make trial of a case easy, expeditious and inexpensive." *Volkswagen II*, 545 F.3d at 315 (quoting *Volkswagen I,* 371 F.3d at 203). The public interest factors are "(1) the administrative difficulties flowing from court congestion; (2) the local interest in having localized interests decided at home; (3) the familiarity of the forum with the law that will govern the case; and (4) the avoidance of unnecessary problems of conflict of laws [or in] the application of foreign law." *Id.* (quoting *Volkswagen I*, 371 F.3d at 203) (alterations in original). The factors are neither exclusive nor exhaustive, and no one factor is dispositive. *Id.*

"It is the movant's burden—and the movant's alone—to adduce evidence and arguments that clearly establish good cause for transfer based on convenience and justice." *In re Clarke*, 94

F.4th 502, 508 (5th Cir. 2024) (citing *Def. Distributed v. Bruck*, 30 F.4th 414, 433 (5th Cir. 2022)). "[S]howing "good cause" requires the movant to "clearly demonstrate" that its chosen venue is "clearly more convenient." *Id.* (internal citations and quotations omitted). That standard is not met if the movant merely shows that the transferee venue is more likely than not to be more convenient. *Id.* (internal citations and quotations omitted). Likewise, the fact that litigating would be more convenient for the defendant elsewhere is not enough to justify transfer. *Id.* (internal citations and quotations omitted). "[T]o establish good cause, a movant must show (1) that the marginal gain in convenience will be *significant*, and (2) that its evidence makes it plainly obvious—i.e., clearly demonstrated—that those marginal gains will *actually* materialize in the transferee venue." *Id.* (emphasis in original).

In considering a transfer under § 1404(a), the Court may consider undisputed facts outside of the pleadings but must draw all reasonable inferences and resolve factual disputes in favor of the non-movant. *See Vocalife LLC v. Amazon.com, Inc.*, No. 2:19-cv-00123, 2019 U.S. Dist. LEXIS 205696, 2019 WL 6345191, at *2 (E.D. Tex. Nov. 27, 2019); *cf. Trois v. Apple Tree Auction Cent. Inc.*, 882 F.3d 485, 492-93 (5th Cir. 2018) (reviewing a transfer under § 1406); *Ambraco, Inc. v. Bossclip B.V.*, 570 F.3d 233, 238 (5th Cir. 2009) (reviewing enforcement of a forum-selection clause).

B. Judgment on the Pleadings Pursuant to 12(b)(6)

A party may move to dismiss an action when the complaint fails "to state a claim upon which relief can be granted . . . ." FED. R. CIV. P. 12(b)(6). A complaint states a sufficient claim if it gives the defendant "fair notice of what the … claim is and the grounds upon which it rests." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555 (2007) (ellipsis in original) (citations omitted).

When considering a Rule 12 motion to dismiss, a court accepts "all well-pleaded facts as true and view[s] those facts in the light most favorable to the plaintiff." *Bowlby v. City of Aberdeen, Miss.*, 681 F.3d 215, 219 (5th Cir. 2012) (citation omitted). The court may consider "the complaint, any documents attached to the complaint, and any documents attached to the motion to dismiss that are central to the claim and referenced by the complaint." *Lone Star Fund V (U.S.), L.P. v. Barclays Bank PLC*, 594 F.3d 383, 387 (5th Cir. 2010) (citation omitted). The court must then decide whether those facts "state a claim that is plausible on its face." *Bowlby*, 681 F.3d at 219. "A claim has facial plausibility when the pleaded factual content allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Id.* (quoting *Ashcroft v. Iqbal*, 556 U.S. 662 (2009)).

This evaluation will "be a context-specific task that requires the reviewing court to draw on its judicial experience and common sense." *Ashcroft*, 556 U.S. at 679. "This standard 'simply calls for enough facts to raise a reasonable expectation that discovery will reveal evidence of' the necessary claims or elements." *In re S. Scrap Material Co., LLC*, 541 F.3d 584, 587 (5th Cir. 2008) (quoting *Bell Atl.*, 550 U.S. at 556).

III. ANALYSIS

A. Motion to Transfer Pursuant to 28 U.S.C. § 1404(a)

A motion to transfer under 1404(a) carries a substantial burden. *See generally In re Clarke*, *supra*. Here, CCI has failed to meet that burden.

1. Propriety of the Transferee Forum

As noted above, the first inquiry when analyzing a case's eligibility for § 1404(a) transfer is "whether the judicial district to which transfer is sought would have been a district in which the

claim could have been filed." *Volkswagen I*, 371 F.3d at 203. Only if this statutory requirement is met should the Court determine whether convenience warrants a transfer of the case. *See id.*; *Volkswagen II*, 545 F.3d at 312. Accordingly, before the Court engages in the balancing of the private and public interest factors, we will first assess the threshold issue of whether the case could have been brought in the transferee forum of Colorado.

CCI asserts in conclusory fashion that this case could have been brought in Colorado because "Defendant's subsidiaries own and/or lease five physical locations in Colorado, forming the 'Denver Campus,' where the Accused Products/Services are developed and maintained," and that this campus houses 4,280 employees and is the largest campus in the nation" in terms of employees. Dkt. No. 32 at 13 (citing Dkt. No. 32-1 at ¶¶5-6). Therefore, according to CCI, "[t]he transfer analysis . . . turns on the private and public interest factors." *Id.*

Up front, the Court reiterates that it is the movant's burden, and "movant's alone," to show the transfer is warranted. *In re Clarke*, *supra*. Here, CCI has not properly demonstrated that this case could have been brought in Colorado with respect to, at minimum, venue. At no point does CCI assert or support that *it*—Charter Communications, Inc.—has a regular place of business in Colorado. It states only that certain subsidiaries do. This is insufficient because, not only are these separate business entities (and, therefore, defendants), but CCI also never specifies *which* subsidiaries are present at the Denver Campus. *See* Dkt. No. 32 at 13; *see also* Dkt. No. 32-1 at ¶¶5-6 ("*Certain* of Defendant's subsidiaries lease office buildings . . . .") (emphasis added). Courts in this District have found similarly overbroad and unsupported allegations insufficient to establish this threshold issue. *See e.g.*, *Ax Wireless LLC v. Dell Inc.*, No. 2:22-cv-0277-RWS-RSP, 2023 WL 7490047 (E.D. Tex. Nov. 12, 2023). Consequently, CCI has not shown that this Denver Campus is a "place of [CCI's]." *In re: Cray Inc.*, 871 F.3d at 1360. Further, CCI also does not assert or support

that it (or even its subsidiaries, for that matter) are incorporated in Colorado. Because "a domestic corporation 'resides' only in its State of incorporation," CCI has failed to show that it resides in Colorado either. *TC Heartland LLC*, 581 U.S. at 262. Thus, CCI has failed to show that venue is proper in Colorado under either prong of the post-*TC Heartland* framework.

Accordingly, the Court finds that CCI has failed to carry the burden on the threshold issue to show that this case could have been brought in the District of Colorado. Therefore, the Motion to Transfer is **DENIED** on this basis. While the Court need not consider the private and public interest factors, the Court also finds that Defendant failed to demonstrate that the District of Colorado would be a "clearly more convenient forum," as explained below.

2. Balancing the Private and Public Factors

The Court is mindful of the Fifth Circuit's admonition to avoid a mere tallying of the factors in resolving this dispute. *See In re Radmax, Ltd.*, 720 F.3d 285, 290 n.8 (5th Cir. 2013) ("We do not suggest—nor has this court held—that a raw counting of the factors in each side, weighing each the same and deciding transfer only on the resulting 'score,' is the proper methodology."); *see also SQIP, LLC v. Cambria Co., LLC*, No. 4:23-CV-202-SDJ, 2024 WL 1346498, at *2 (E.D. Tex. Mar. 29, 2024) ("[C]ourts are not to merely tally the factors on each side."). To that end, the Court considers not only each factor's outcome but also its weight to determine whether the actual convenience of Colorado as a forum is "clearly more convenient" than that of this district. *In re Chamber of Commerce of United States of Am.*, 105 F.4th 297, 310 (5th Cir. 2024) (quoting *In re Clarke*, 94 F.4th at 508).

a. Private Interest Factors

i. Ease of Access to Sources of Proof

Beginning with the first factor, relative ease of access to sources of proof, CCI argues that Colorado is more convenient because "Defendant's custodial and non-custodial evidence is stored almost exclusively on employee computers or on servers" and that these are mostly located in Colorado. Dkt. No. 32 at 18 (citing Dkt. No. 32-1 at ¶¶25-28, apps. A-B). CCI further argues that many third parties with relevant evidence "have offices and/or employees in Colorado." *Id.* Such evidence, CCI contends, includes data and source code. *Id.*

Adaptive responds, arguing that this case is focused on physical products (modems, routers, nodes, and the like), and that CCI has at least 14 hubs in or near this District where such equipment is located. Dkt. No. 35 at 7-8. It also asserts that, as to the source code and technical evidence stored on employee computers, three such Charter employees are located much closer to this district (*Id.* at 8-9 (citing Dkt. No. 32-1 at ¶25, apps. A-B)), and that there are also field offices which likely house documents related to how accused instrumentalities are installed, operated, and maintained, which goes toward the claims of direct and induced infringement (*Id.* at 9 (citing Dkt. No. 32-1 at ¶20-21)).[4] Adaptive further contends that CCI has conceded that many third parties are involved in the development of the accused products/services and have additional evidence, including source code and technical documents, and that most of these parties have "offices and/or relevant employees in this District . . . or in Texas . . . ." *Id.* at 4-5, 9 (citing Dkt. No. 32-1 at ¶30-37 (For example, Defendant's declarant—Daniel Boglioli—declared that "[n]either Defendant nor any of its subsidiaries manufacture any Accused PMA Products or are in possession of any source code related to any Accused PMA Products; that code is created and maintained by third-parties.")) (citing also Dkt. No. 35-1 (identifying asserted relevant document custodians by, *inter alia*,

[4] CCI disputes this, but this is of no moment. *See* Dkt. No. 42 at 6-7. Adaptive has laid a reasonable foundation for the assertion and the Court must draw all reasonable inferences and resolve factual disputes in favor of the non-movant. *See Vocalife LLC*, No. 2:19-cv-00123, 2019 U.S. Dist. LEXIS 205696, 2019 WL 6345191, at *2.

LinkedIn profiles[5])). Finally, Adaptive argues that that Defendant's financial and marketing documents are created and maintained in St. Louis, Missouri and Stamford, Connecticut respectively, and are therefore both closer to this District. *Id.* at 9 (citing Dkt. No. 32-1 at ¶12-13).

The Court finds that this factor weighs slightly against transfer.

For this factor to weigh in favor of transfer, the movant must demonstrate that transfer will result in more convenient access to sources of proof. *Remmers v. United States*, 2009 WL 3617597, at *4 (E.D. Tex. Oct. 28, 2009). Courts consider the distance that documents or other evidence must be transported from their existing location to the trial venue. *Uniloc USA, Inc. v. Activision Blizzard, Inc.*, 2014 WL 11609813, at *2 (E.D. Tex. July 16, 2014) (citing *Volkswagen II*, 545 F.3d at 316). This factor turns on which party "most probably [has] the greater volume of documents relevant to the litigation and their presumed location in relation to the transferee and transferor venues." *Id.* The movant must identify sources of proof with enough specificity that a court can determine whether transfer will increase the convenience of the parties. *J2 Global Commc'ns, Inc. v. Proctus IP Sols., Inc.*, 2009 WL 440525, at *2 (E.D. Tex. Feb. 20, 2009). Further, "[w]hen the vast majority of the evidence is electronic, and therefore equally accessible in either forum, this factor bears less strongly on the transfer analysis." *In re TikTok, Inc.*, 85 F.4th 352, 358 (5th Cir.

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[5] Defendant complains that relying on LinkedIn profiles to identify witnesses is too speculative. Dkt. No. 42 at 5 (citing *In re Google LLC*, No. 2021-170, 2021 WL 4427899, at *7 (Fed. Cir. Sept. 27, 2021)). Defendant's reliance on *In re Google* is misplaced. There, the Federal Circuit said that the opponent to the motion to transfer "was not at all specific about what testimony it expected to elicit from [the person identified by their LinkedIn profile], or even if [the person] possesses knowledge of the facts relevant to this infringement action." *In re Google LLC*, No. 2021-170, 2021 WL 4427899, at *7. Thus, it was inappropriate for the district court to rely on this person as the "decisive element" that tipped the scales. *Id.* (internal quotations omitted).

Here, by contrast, Adaptive has specifically asserted and supported that (1) CCI has declared that third-party entities are in possession of relevant technical documentation, including source code; and (2) that the persons Adaptive identified by their LinkedIn profiles are those employees of the third-party entities who would likely be in possession of such documents and have knowledge about them. This is sufficient for purposes of the instant Motion. Further, unlike in *In re Google*, we do not find that these employees are the decisive element; there is more than enough other evidence.

2023) (cleaned up) (quoting *In re Planned Parenthood Fed'n Am., Inc.*, 52 F.4th 625, 630 (5th Cir. 2022)).

Here, as a preliminary matter, the Court discounts Adaptive's arguments regarding physical products such as modems and routers. While it is true that they are accused instrumentalities, the Court fails to see how these products, *per se*, are relevant. Based on the claims at issue, it is the associated source code, technical documentation, and other such documents covering these products/services that will tend to prove or disprove infringement. Adaptive has not provided any substantive argument on how the physical products are in and of themselves relevant as evidence.

Turning next to the documentary evidence, CCI and Adaptive both claim that a great deal of technical documentation is closer to Colorado, or closer to this District, respectively. Adaptive, however, also identifies direct and induced infringement-related documents (documents concerning installation, operation, and maintenance) located closer to this District. It further identifies damages-related documents (the financial and marketing documents), which are again closer to this District.

Overall then, Adaptive has identified a greater amount relevant evidence as being closer to this District. Cutting against this, however, is that the majority of the evidence is electronic and, therefore, accessible anywhere. Accordingly, the Court finds that this factor weighs only slightly against transfer.

ii. Availability of Compulsory Process

The next private factor is the availability of compulsory process to secure the attendance of unwilling witnesses. CCI has identified (1) three third-party entities, and (2) fourteen third-party witnesses coming from an additional five third party entities who are located in Colorado "who work directly with Defendant's engineers on the Accused Products/Services." Dkt. No. 32 at 17.

It asserts that this District has subpoena power over only a single third-party supplier. *Id.* at 17-18. It concedes, however, that "[t]he remaining non-party witnesses, including . . . inventors, and prosecuting attorneys of the Asserted Patents, are neither in Colorado nor in Texas" and, therefore, are neutral in the analysis. *Id.* at 18.

In response, Adaptive has identified four third-party entities and an additional 10 third-party witnesses in this District. Dkt. No. 35 at 12.

The Court is unpersuaded by movant's arguments. As Adaptive correctly points out, CCI fails to allege that any of their identified third-party witnesses are unwilling (*Id.* at 10-11),[6] something that CCI does not rebut (*see generally* Dkt. No. 42). The Fifth Circuit has stated that it "cannot say that the district court committed a clear abuse of discretion in holding that this factor is neutral when petitioners have failed to identify any unwilling non-party witness." *TikTok*, 85 F.4th at 361; *see also In re Planned Parenthood*, 52 F.4th at 630-31 (This factor "receives less weight when it has not been alleged or shown that any witness would be unwilling to testify.") (citations omitted).

Overall then, the parties have pointed to a series of witnesses located in both forums that may have relevant knowledge but none of whom have been specifically identified as unwilling. Thus, at best, both forums have (possibly unnecessary) subpoena power over multiple potential witnesses. Accordingly, the Court finds this factor to be neutral.

iii. Cost of Attendance for Willing Witnesses

The next private factor is the cost of attendance for willing witnesses.

For this factor, CCI identifies a multitude of "potential" witnesses, more than 50 in total in Colorado. Dkt. No. 32 at 14. Regarding first-party witnesses, they point to 36 Charter employees

[6] The Court also notes that Adaptive never showed that any of its identified witnesses are unwilling.

responsible for various facets of design, development, testing, and operation of the accused products/services (*Id.* (citing Dkt. No. 32-1 at apps. A-C)); two witnesses related to claims of willful infringement (*Id.* (citing Dkt. No. 32-1 at ¶15))[7]; and two other groups, the Legal and Procurement groups, who are responsible for acquiring accused products, consisting of an unspecified number of unidentified employees (*Id.* (citing Dkt. No. 32-1 at ¶11)). CCI also points to several third-party witnesses involved with maintenance and operation of the accused products/services: three third parties—CableLabs, Hitron, and Ubee—located in Denver; and five third parties—Askey, Cisco, Harmonic, Sagemcom, and Sercomm—not located in Denver, but who have 14 employees who work in Denver. *Id.* (citing Dkt. No. 32-1 at ¶37, app. C). Finally, CCI points out that two of the named Adaptive inventors, Mr. Cioffi and Mr. Chow, whom Adaptive intends to bring to trial (Dkt. No. 35 at 18) reside in California, which is closer to Colorado than to this District (Dkt. No. 32 at 11).

Adaptive, in turn, identifies numerous witnesses in, or nearer to, Texas. Regarding third-party witnesses, they point to seven witnesses having knowledge of design, development, features, and operations (Dkt. No. 35 at 13-14 (citing Dkt. No. 36, attachments 14-15, 17-19, 21-22); one witness having knowledge of relevant patent licenses (*Id.* at 14 (citing Dkt. No. 35-4); one witness having knowledge of technical and financial matters related to Adaptive products (*Id.* (citing Dkt. No. 36-49); one witness having knowledge of sales figures for products purchased from Adaptive (*Id.* (citing Dkt. No. 36-50)); 42 identified (and many more unidentified) witnesses coming from 10 suppliers who provide Charter with accused products and have knowledge of design and

[7] Under this category, CCI points to five witnesses "related to Charter's prior relationship with [Adaptive] and purported knowledge of the patents." Dkt. No. 32 at 14. Three of these employees also fall under the first category of technical witnesses; the Court will not double count them. The two other witnesses having knowledge of patents are evidently only familiar with U.S. Pat. No. 11,109,082 (Dkt. No. 32-1 at ¶15), which is a Charter patent which referenced one of the asserted patents—U.S. Pat. No. 11,477,108—during prosecution (and so, Adaptive claims that Charter had knowledge of the '108 Patent).

development (*Id.* at 14-15 (citing Dkt. No. 36, attachments 23-40)); and unidentified AT&T employees (*Id.* at 15 (citing Dkt. No. 36-48)). Adaptive also points to several first-party witnesses: innumerable unidentified witnesses, such as field operations personnel (*Id.* at 15-16); a senior director of engineering who oversees engineers responsible for the accused products (*Id.* at 16 (citing Dkt. No. 25-7; Dkt. No. 32-1 at ¶9); two individuals having technical knowledge about the accused products, both of whom are in Charlotte, North Carolina (*Id.* at 17 (citing Dkt. No. 32-1 at ¶9); and two witnesses with knowledge of financial and marketing information, one of whom is in Connecticut and the other in Missouri (*Id.* (citing Dkt. No. 32-1 at ¶12-13)). Finally, Adaptive points to a third-party inventor witness, Mr. Goldburg, who, although residing in California, indicated he is willing to attend trial in this District (*Id.* at 18 (citing Dkt. No. 35-11 at ¶5); *Saint Lawrence Commc'ns LLC v. Apple Inc.*, No. 2:16-CV-82-JRG, 2017 WL 3712153, at *4 (E.D. Tex. Feb. 6, 2017) (crediting declarations from witnesses who state that attending trial in Marshall, Texas will not inconvenience them)).

The cost of attendance for willing witnesses factor has been described as the most important factor to weigh. *In re Genentech*, 566 F.3d 1338, 1343 (Fed. Cir. 2009). Courts properly give more weight to the convenience of non-party witnesses than to party witnesses. *See Frito-Lay N. Am., Inc. v. Medallion Foods, Inc.*, 867 F. Supp. 2d 859, 870-71 (E.D. Tex. 2012). The Fifth Circuit uses what is known as the "100-mile rule": when the distance between the transferor and proposed transferee venues exceeds 100 miles, "the factor of inconvenience to witnesses increases in direct relationship to the additional distance to be traveled." *Volkswagen I*, 371 F.3d at 201; *In re Genentech*, 566 F.3d at 1343; *In re Apple Inc.*, 979 F.3d 1332, 1341 (Fed. Cir. 2020). However, courts do not just consider how long and far a witness must travel—courts also may consider costs such as "meal and lodging expenses; and absence from work, family, and community." *In re*

Clarke, 94 F.4th at 514 n.20 (citing *In re TikTok*, 85 F.4th at 361). This factor "attempts to internalize and minimize those costs by favoring the venue that is more convenient from the perspective of willing witnesses." *Id.* at 514.

As a preliminary matter, the Court discounts both parties' unidentified witnesses. Considering these individuals would amount to impermissible tallying of witnesses available in each forum. A court should "not merely tally the number of witnesses who reside in the current forum in comparison to the number located in the proposed transferee forum." *ESPN, Inc. v. Quiksilver, Inc.*, 581 F. Supp. 2d 542, 547 (S.D.N.Y. 2008). Instead, a court should "qualitatively evaluate the materiality of the testimony that the witnesses may provide." *Id.*; *Seven Networks, LLC v. Google LLC*, 17-cv-441, 2018 WL 4026760, at *8 (E.D. Tex. Aug. 15, 2018) (the convenience factor analysis is more than "a judicial numbers game" of simply counting the prospective witnesses on each side).

On balance, the Court finds this factor to be neutral. Although CCI has a greater number of witnesses, as said before we do not simply tally the numbers. Moreover, both parties point to unrealistically high numbers of witnesses, both generally and in the domain of design and development especially. With respect to the typical time allotted to each party to present their case at trial, the Court rarely sees more than three to five fact witnesses being called either live or by a deposition (which could be taken in any district). Neither party has alleged any facts showing that the situation would be any different in Colorado.[8]

[8] Given the extremely low likelihood that all of these witnesses would actually testify at trial, there is a commensurately low likelihood that the gains in convenience (as to most witnesses) will "actually materialize," as required by the Fifth Circuit. *In re Clarke*, 94 F.4th at 508.

Because of the multiplicity of witnesses, we cannot say that movant has clearly shown Colorado is clearly more convenient. Further, Adaptive has identified witnesses with potentially relevant testimony covering a greater number of issues, including damages.

Accordingly, the Court finds this factor to be neutral.

iv. Other Practical Problems

The final private factor is concerned with other practical problems that relate to "making trial of a case easy, expeditious, and inexpensive," as well as "judicial economy, including duplicative suits." *Volkswagen I*, 545 F.3d at 315; *Lifestyle Sols., Inc. v. Abbyson Living LLC*, 2017 WL 5257006, at *4 (E.D. Tex. Nov. 10, 2017). CCI argues that "this case is at its nascent stage," and so, Adaptive will not suffer any prejudice by a transfer to Colorado. *See* Dkt. No. 32 at 20.

In response, Adaptive argues that there will be conservation of judicial resources by keeping this case in this District because there are overlapping issues between this case and in the co-pending AT&T litigation. Dkt. No. 35 at 19-20. Because the overlap in issues is only partial, the Court finds this factor is neutral.

b. Public Interest Factors

i. Court Congestion

CCI argues that the court congestion factor is "the most speculative," and neutral here because the two parties are not competitors. Dkt. No. 32 at 21. (quoting *In re Genentech*, 556 F.3d at 1347).

Adaptive argues that this factor weighs against transfer. Dkt. No. 35 at 21. It points to this Court's 11-month faster median time to trial compared to Colorado's. *Id.* It also argues that judicial resources would be conserved by keeping the instant case in this District because of the co-pending parallel AT&T litigation. *Id.* It concedes, however, that it does not compete with CCI. *Id.*

"[A]s a general matter, 'the district court is better placed' to evaluate its 'docket efficiency.'" *TikTok*, 85 F.4th at 363 n.12 (quoting *In re Planned Parenthood*, 52 F.4th at 631).

Here, Adaptive's attempts to substantiate its court congestion argument with statistics are too general to be helpful. Regardless, we assess that this case is proceeding to trial at the pace set out in the Docket Control Order and will likely conclude faster in this Court than in Colorado. Nonetheless, this Court recognizes that the Federal Circuit has instructed that this factor should not weigh against transfer when the plaintiff "is not engaged in product competition in the marketplace and is not threatened in the market in a way that, in other patent cases, might add urgency to case resolution." *In re Google LLC*, 58 F.4th 1379, 1383 (Fed. Cir. 2023). Here, there is no dispute that Adaptive is not a competitor in the marketplace.

Accordingly, the Court finds this factor is neutral.

ii. Local Interest

CCI argues that Colorado has a strong local interest in this case "because the cause of action calls into question the work and reputation of several individuals residing in or near that district" (Dkt. No. 32 at 20 (quoting *In re Hoffman-La Roche Inc.*, 587 F.3d 1333, 1336 (Fed. Cir. 2008))), and because "Defendant has an extensive presence in the District of Colorado" (*Id.*). In support of this, it asserts that the accused products were developed there, and that "the relevant personnel, document custodians, source code, document servers, and ongoing activities relating to the Accused Products/Services are all primarily located in the District of Colorado." *Id.* at 20-21.

Adaptive responds, arguing that this factor is neutral because CCI also has a strong presence in this District with many employees here. Dkt. No. 35 at 21-22 (citing *In re Hoffman-La Roche Inc.*, 587 F.3d at 1336 ("the cause of action calls into question the work and reputation of several individuals residing in or near that district and who presumably conduct business in that

community")). Adaptive further argues that this factor is neutral because CCI "provides and sells the accused products in this District" (*Id.* at 21). Adaptive also disputes CCI's argument that the accused products were developed in Colorado. *Id.* at 4 n.4, 22 (citing Dkt. No. 32-1 at ¶¶30-36). Specifically, it asserts that the accused products were "developed by third parties, not Charter or its engineers in Colorado," and that there is no evidence that the products are developed in Colorado. *Id.* at 22 (citing *Freedom Pats. LLC v. DISH Network Corp.*, No. 4:23-CV-00303, 2024 WL 1147828, at *7 (E.D. Tex. Mar. 15, 2024)).

It bears noting that the parties have focused on their connections to the venues. The Fifth Circuit directs courts to consider "the significant connections between a particular venue and the *events* that gave rise to a suit," not "the parties' connections to the venue." *In re Clarke*, 94 F.4th at 511 (emphasis added). In other words, the analysis is concerned with "the interest of *non-party citizens* in adjudicating the case." *Id.* (emphasis in original) (internal citations omitted). Accordingly, the "design and development" facet remains a relevant part of the local interests analysis, but only insofar as these events—design, development, and the like—gave rise to the suit.[9] *See id.* at 512 ("[Defendant's] research, design, development, manufacturing, and publishing, occurred in and around Austin. [Defendant] used Texas-based servers to host files visitors could download from its website." (citing *Def. Distributed*, 30 F.4th at 435 (internal quotations omitted)).

Turning to the parties' assertions, we first note that both CCI's and Adaptive's arguments regarding 'the cause of action calling into question the work and reputation of several individuals residing in or near that district' are irrelevant. This is an argument directed towards the parties' connection with the venue, not the events that gave rise to the suit.

[9] Because "make[ing] [or] use[ing] . . . any patented invention, within the United States . . . during the term of the patent" is infringement, design and development are, therefore, events that give rise to the instant suit. 35 U.S.C. § 271(a).

Turning next to Adaptive's argument regarding CCI selling its accused products in this District, this is entitled to little weight. "A completely diffuse interest—that is, an interest that 'could apply to virtually any judicial district or division in the United States'—cannot affect the local-interest determination. That's because the interest is the same in both the transferor and transferee venue. These completely diffuse local interests net out to zero—neither favoring nor disfavoring transfer." *In re Clarke*, 94 F.4th at 510 (quoting *Volkswagen II*, 545 F.3d at 318). Here, CCI's accused products are either sold throughout the country or sold in neither Colorado nor this district[10], and so, this is a completely diffuse interest.

Finally, we address the issue of where CCI's accused products are developed. Contrary to Adaptive's assertion, there is evidence of design and development in Colorado. Dkt. No. 32-1 at ¶8, 10 ("The design, development, testing, deployment, and operation of the Accused PMA Service and Accused PMA Products was, and continues to be, directed and/or carried out by the employees listed in Appendix A to this declaration. Of the twenty-three (23) employees listed in Appendix A, twenty-one (21) employees reside in Colorado and work at the Denver Campus"; "The design, development, testing, and operation of the Accused WiFi Products/Services was, and continues to be, directed and/or carried out by the employees listed in Appendix B to this declaration. These include engineers responsible for understanding the product requirement, working with third-party equipment vendors to acquire reference products, and monitoring and troubleshooting the Accused WiFi Products/Services. Of the seventeen (17) employees listed in Appendix B, fifteen (15) reside in Colorado and work at the Denver Campus."). Critically, however, these employees "work at the Denver Campus." As discussed in Section III.A.1 above, the only evidence regarding entities at the Denver Campus is that they are subsidiaries, and not

[10] As to the accused PMA product/service, which is only deployed in Reno, Nevada (Dkt. No. 32-1 at ¶7), the Court fails to see how Coloradoans would have a *local interest* in events taking place outside of their home state.

CCI itself.[11] While this development work is an event that gives rise to the suit, it is not shown to be an event attributable to CCI.

As to Adaptive's arguments, they are correct in that there appear to be many products that are developed, at least in part, by third parties, some of whom have locations in this District. *See e.g. id.* at ¶32 (The DOCSIS 3.1 cable modems that are deployed by Defendant's subsidiaries are designed and manufactured by the following third-parties: Hitron Technologies Americas, Inc. (Englewood, CO), Ubee Interactive Inc. (Centennial, CO), Sercomm Corporation (Taipei, Taiwan), and Vantiva USA, LLC (formerly Technicolor Connected Home USA LLC) (Norcross, GA)."). For the same reasons discussed above, however, this development work by non-parties is not a relevant local interest. Further, Adaptive does not muster any evidence that design or development actually occurs in this District, merely that the third-party companies at issue have locations here. *See e.g.* Dkt. No. 36-11 at 4 (listing Broadcom Inc. locations in Plano and Austin, but not specifying what activities take place there).

Accordingly, this factor is slightly in favor of transfer.

iii. Familiarity of the Forum with the Law that will Govern the Case, and Conflict of Laws

Both parties agree that these last two public factors are neutral (Dkt. No. 32 at 21-22; Dkt. No. 35 at 21 n. 19), and the Court agrees with this as well.

3. Conclusion

After reviewing each factor and accounting for each one's weight, the Court finds that CCI has failed to carry its burden to show that Colorado is clearly more convenient than this District.

[11] Further, as to the employees themselves, "[a]ll employees at Charter are employed by CCL"—another subsidiary—and "[e]mployees are leased to the relevant subsidiaries through an internal leasing program." Dkt. No. 32-1 at 2 n. 1.

Further, even if Colorado were more convenient, CCI has failed to explain how any gains in convenience would be "*significant*," as required by the Fifth Circuit.

Accordingly, the Motion to Transfer is **DENIED**.

B. Partial Motion to Dismiss Pursuant to FRCP Rule 12(b)(6)

We now turn to Defendant's alternative argument: that Plaintiff's fails to state a claim. Defendant contends that Plaintiff's pleadings are deficient in three areas: (1) indirect infringement; (2) willful infringement; and (3) infringement of the '108 Patent. Dkt. No. 32 at 22-30. The Court will take each issue up in turn.

1. Plaintiff's Indirect Infringement Claims

As to indirect infringement, Defendant argues that Plaintiff fails to adequately allege several required elements necessary to support claims for indirect infringement. *Id.* at 22-25. It asserts that Plaintiff failed to allege facts to support (1) Defendant having pre-suit knowledge of the patents at issue; (2) that Defendant had the requisite intent to induce infringement; and (3) that the component Defendant provides has no significant non-infringing use. *Id.*

a. Pre-Suit Knowledge of Asserted Patents

In the Motion, Defendant argues that Plaintiff has failed to allege that Defendant knew of the patents in suit and that it knew of a third party's direct infringement. *Id.* at 22. Specifically, Defendant asserts that Plaintiff alleged only that "Defendants have had knowledge of the [asserted patents] since before this Complaint was filed, or at a minimum received notice of the [asserted patents] upon filing of this Complaint, and are aware of their infringement of the [asserted patents]" but that this is insufficient to meet the pleading standard. *Id.* (quoting 2:24-cv-029, Dkt. No. 70 at ¶¶57, 78, 109, 137, 160) (citing *Am. Vehicular Scis. LLC v. Mercedes-Benz U.S. Int'l, Inc.*, No. 6:13-cv-307 MHS-JDL, 2014 WL 10291478, at *4 (E.D. Tex. Feb. 7, 2014)). Defendant further

argues that Plaintiff failed to adequately plead willful blindness because it did not allege any affirmative actions taken by Defendant to avoid knowledge of the asserted patents. *Id.* at 23 (citing *MONEC Holding AG v. Motorola Mobility, Inc.*, 897 F. Supp. 2d 225, 230 (D. Del. 2012)).

The Court finds that Plaintiff's Complaint is sufficient.

Indirect infringement, whether contributory or induced, requires that the indirect infringer has knowledge of the patent(s) at issue. *Lucent Techs., Inc. v. Gateway, Inc.*, 580 F.3d 1301, 1320 (Fed. Cir. 2009); *Commil USA, LLC v. Cisco Sys., Inc.*, 135 S. Ct. 1920, 1926 (2015).

As a preliminary matter, Defendant's reliance on *Am. Vehicular Scis.* is misplaced; the Court there was assessing whether the pleadings at issue were sufficient with respect to the element of intent for induced infringement and the element of no substantial non-infringing uses for contributory infringement. The Court was *not* assessing the element of knowledge which is presently at issue.

Further, "[w]hen it comes to the knowledge requirements for indirect infringement, [we do] not require an allegation of pre-suit knowledge to support a claim for indirect infringement." *Freedom Patents LLC v. Dish Network Corp., et al*, 4:23-cv-00303, Dkt. No. 76 at 3-4 (E.D. Tex. Mar. 28, 2024) (citing *Greenthread, LLC v. OmniVision Techs.,Inc.*, No. 2:23-CV-00157-JRG, 2023 WL 8653155, at *3 (E.D. Tex. Dec. 14, 2023)).

Here, Plaintiff's First Amended Complaint alleges that Defendant at a minimum received knowledge through filing of the complaint. 2:24-cv-029, Dkt. No. 70 at ¶¶52, 74, 104, 118, 156. The Complaint, therefore, provides Defendant with the requisite notice of the asserted patents to support a claim of indirect infringement at least as of the time the Complaint was filed. As this Court has said previously, "it would be premature at this early stage in the proceedings to distinguish between pre-suit and post-filing conduct for the purposes of induced infringement

when it cannot be disputed that Plaintiff '*does* sufficiently plead that the [Defendant] had knowledge of the [Asserted Patents] for at least some time during the infringement period.'" *BillJCo, LLC v. Cisco Sys., Inc.*, No. 2:21-CV-00181-JRG, 2021 WL 6618529, at *6 (E.D. Tex. Nov. 30, 2021) (quoting *Lochner Techs., LLC v. AT Labs Inc.*, No. 2:11-cv-242, 2012 WL 2595288, at *3 (E.D. Tex. July 5, 2012)).

Accordingly, the Motion to Dismiss on the basis of no pre-suit knowledge should be **DENIED**.[12]

b. Intent to Induce Infringement

In the Motion, Defendant argues that Plaintiff has failed to allege sufficient facts showing that Defendant had the requisite intent for a claim of induced infringement. Dkt. No. 32 at 23. Specifically, it asserts that Plaintiff does nothing more than "baldly assert[] that 'Charter has induced others to infringe [the Asserted Patent] under 35 U.S.C. § 271(b) by, among other things, and with specific intent or willful blindness . . . .'" *Id.* at 24 (quoting 2:24-cv-029, Dkt. No. 70 at ¶53). It then argues that "'simply recit[ing] the legal conclusion that Defendant[] acted with specific intent' fails to plead 'facts that would allow a court to reasonably infer that Defendant[] had the specific intent to induce infringement . . . .'" *Id.* (quoting *Addiction & Detoxification Inst. L.L.C. v. Carpenter*, 620 F. App'x 934, 938 (Fed. Cir. 2015)). Confusingly, Defendant then goes on to mention that the Complaint alleges that it "engaged in inducement 'through the distribution of [Charter's product] and/or the creation and dissemination of promotional and marketing materials, supporting materials, instructions, product manuals, and/or technical information related to [Charter's products] . . . .'" *Id.* (quoting 2:24-cv-029, Dkt. No. 70 at ¶¶54, 76, 106, 134, 58). Despite this contradiction, Defendant contends that allegations that it provides customers with

[12] For this reason, we do not reach the issue of whether Plaintiffs' willful blindness allegations are sufficient.

infringing devices along with instructions, but failing to allege any facts identifying how the instructions direct customers to use those products in an infringing manner, falls shorts of satisfying Rule 8's notice requirement. *Id.* at 24-25 (citing *Core Wireless Licensing S.A.R.L. v. Apple Inc.*, No. 6:14-CV-752-JRG-JDL, 2015 WL 4910427, at *4 (E.D. Tex. Aug. 14, 2015); *Stragent, LLC v. BMW of N. Am., LLC*, No. 6:16-CV-446-RWS-KNM, 2017 WL 2821697, at *9 (E.D. Tex. Mar. 3, 2017), *report and recommendation adopted*, No. 6:16-CV-00446-RWS, 2017 WL 2832613 (E.D. Tex. Mar. 27, 2017)).

The Court finds that Plaintiff's Complaint is sufficient.

For induced infringement, the indirect infringer must encourage the direct infringement; or, put differently, must have a specific intent to induce infringement through another. *See Barry v. Medtronic, Inc.*, 914 F.3d 1310, 1334 (Fed. Cir. 2019) (citations omitted).

As a preliminary matter, Defendant misreads *Core Wireless* and *Stragent*. In *Core Wireless*, the Court said that

> . . . the provision of instructions by an accused infringer may indicate specific intent to induce infringement. However, failing to allege *any facts* identifying, even at a basic level, which functionalities of the accused products are at issue, or how the instructions direct customers to use those products in an infringing manner, falls short of satisfying Rule 8's notice requirement. In other words, generic allegations that an alleged infringer provides instructional materials along with the accused products, *without more*, are insufficient to create a reasonable inference of specific intent for the purposes of an induced infringement claim.

Core Wireless, No. 6:14-CV-752-JRG-JDL, 2015 WL 4910427, at *4 (emphasis added). The Court in *Stragent* said substantially the same.

Here, by contrast, Plaintiff's Complaint alleges that Defendant actively "encourage[] end users, including clients, subscribers, and customers, to use and/or put" the Spectrum Service, LAN/WAN devices, Spectrum Advanced Wi-Fi Serves, and WFAM accused products "into service at the user's premises," which constitutes infringing activity. 2:24-cv-029, Dkt. No. 70 at ¶¶ 53-

55, 57, 75-76, 79, 105-106, 11, 133-134, 138, 157-158, 161. Specifically, for example, the Complaint alleges "dissemination of promotional and marketing materials, supporting materials, instructions, product manuals, and/or technical information related to Spectrum Service," providing hyperlinks to materials created by Defendant. *Id.* at ¶ 54 (providing hyperlinks to videos and webpages).

These allegations, taken as true, are sufficient. Accordingly, the Motion to Dismiss on the basis of no intent to induce infringement should be **DENIED**.

c. Substantial Non-Infringing Uses

In the Motion, Defendant argues that Plaintiff merely asserts that "the Accused Products/Services are 'not a staple article of commerce suitable for substantial non-infringing use'" (Dkt. No. 32 at 25 (quoting 2:24-cv-029, Dkt. No. 70 at ¶¶56, 77, 108, 136, 159)), but that "[s]uch conclusory allegations are insufficient" (*Id.* (citing *Artrip v. Ball Corp.*, 735 F. App'x 708, 713 (Fed. Cir. 2018)). The Court finds that Plaintiff's Complaint is sufficient.

Contributory infringement occurs if a party sells or offers to sell a material or apparatus for use in practicing a patented process, and if that "material or apparatus" is material to practicing the invention, has no substantial non-infringing uses, and is known by the party "to be especially made or especially adapted for use in an infringement of such patent." *In re Bill of Lading Transmission & Processing Sys. Patent Litig.*, 681 F.3d 1323, 1337 (Fed. Cir. 2012) (citation omitted) (quoting 35 U.S.C. § 271(c)). "In order to succeed on a claim of contributory infringement, in addition to proving an act of direct infringement, plaintiff must show that defendant knew that the combination for which its components were especially made was both patented and infringing and that defendant's components have no substantial non-infringing uses." *Lucent Techs., Inc. v. Gateway,*

Inc., 580 F.3d 1301, 1320 (Fed. Cir. 2009) (internal quotation marks omitted) (quoting *Cross Med. Prods., Inc. v. Medtronic Sofamor Danek, Inc.,* 424 F.3d 1293, 1312 (Fed. Cir. 2005)).

Here, Defendant's assertion that the Complaint merely says that the accused products/services are "not a staple article of commerce suitable for substantial non-infringing use" is incorrect. As an initial matter, the Complaint identifies the particular hardware and software it accuses of infringement. For example, it accuses "networks, wireless gateways, routers, modems, servers, and/or other devices that support DOCSIS 3.1 and later [iterations]" as infringing the '996 Patent (2:24-cv-029, Dkt. No. 70 at ¶38), and then goes on to chart the limitations of one of the '996 claims (claim 20, specifically) to these accused instrumentalities (*See* 2:24-cv-029, Dkt. No. 70 at ¶¶40-51). In the course of doing so, the Complaint provides sufficient allegations to allege that operation of the respective accused instrumentalities occurs in a manner that is purely adapted to infringement. *See* 2:24-cv-029, Dkt. No. 70 at ¶¶41-51. Only then, does it go on to allege that

> Defendants have also contributed to, and continue to contribute to the infringement of claim 20 of the '996 patent by making, using, offering to sell, selling, and/or importing the components of the Spectrum System that support DOCSIS 3.1, including networks, wireless gateways, routers, modems, servers, and/or other devices, in violation of 35 U.S.C. § 271(c). Defendants make, use, offer to sell, sell, and/or import such products with the knowledge that they are especially designed for use in and constitute a material part of the claimed transmission system of claim 20, and are not a staple article of commerce suitable for substantial non-infringing use. For example, Defendants actively and knowingly sell components of the Spectrum System that support DOCSIS 3.1 and provide customer support, installation, instruction materials, and/or other technical information to end users for the use of such products as a component of the transmission system of claim 20.

2:24-cv-029, Dkt. No. 70 at ¶56. This is hardly the unsupported, conclusory allegation that Defendant describes. Taken together, these allegations are sufficient at the pleading stage; the same is true of the other Counts related to the other asserted patents.

Accordingly, the Motion to Dismiss on the basis of no substantial non-infringing use should also be **DENIED**.

2. Plaintiff's Willful Infringement Claims

As to willful infringement, Defendant argues that Plaintiff fails to adequately allege (1) Defendant having pre-suit knowledge of the patents at issue; and (2) that Defendant's actions were intentional or knowing. Dkt. No. 32 at 25-27.

As this Court has previously said, "an allegation that a defendant continues its allegedly infringing conduct even after receiving notice of a complaint is sufficient to at least state a claim for willful infringement." *BillJCo, LLC v. Cisco Sys., Inc.*, No. 2:21-CV-00181-JRG, 2021 WL 6618529, at *8 (E.D. Tex. Nov. 30, 2021) (internal quotations and citations omitted). Further, provided the above is met, "a plaintiff need not plead facts demonstrating egregious conduct to establish a claim for willful infringement at the 12(b)(6) stage." *Arigna Tech. Ltd. v. Bayerische Motoren Werke AG*, No. 2:21-CV-00172-JRG, 2022 WL 610796, at *6 (E.D. Tex. Jan. 24, 2022).

Here, Plaintiff's Complaint does precisely this. Plaintiff's First Amended Complaint alleges that Defendant, at a minimum, received knowledge of the asserted patent through filing of the complaint. 2:24-cv-029, Dkt. No. 70 at ¶¶52, 74, 104, 118, 156. It then alleges that Defendant "continues to . . . infringe . . . ." *Id.* at ¶¶53, 75, 105, 119, 157. Thus, the pleadings are sufficient.

Accordingly, the Motion to Dismiss the willful infringement claims should be **DENIED**.

3. Infringement of the '108 Patent

In the Motion, Defendant argues that the '108 Patent is invalid based on a broken priority chain. Dkt. No. 32 at 28. Specifically, they claim that the '108 Patent asserts that it is a continuation of U.S. Patent No. 10,333,819, which issued from Application No. 15/182,513, but that the '513 application and the application that led to the '108 Patent were never co-pending. *Id.* at 29. Consequently, Defendant asserts, the '108 Patent is only entitled to its actual filing date of July 11, 2020. *Id.* at 30 (citing the '108 Patent at INID 22). This would invalidate the '108 Patent because

the ’819 Patent would now be prior art to the ’108 Patent—it issued on June 25, 2019 (*Id.* (citing the ’819 Patent at INID 45))—and both patents have identical disclosures. *Id.* Thus, every claim in the ’108 patent is either anticipated or lacks sufficient disclosure in the specification. *Id.* (citing *Zenon Env’t., Inc. v. U. S. Filter Corp.*, 506 F.3d 1370, 1382 (Fed. Cir. 2007) (invalidating a patent on this basis)).

The Court finds that ruling on this issue would involve assessing evidence, which is inappropriate at the pleadings stage.[13] While the Federal Circuit in *Zenon* did indeed invalidate a patent on the above basis, this was done on an appeal following a full bench trial—not on the pleadings.

Accordingly, the Motion should also be **DENIED** on this basis.

A party’s failure to file written objections to the findings, conclusions and recommendations contained in this report within 14 days bars that party from *de novo* review by the District Judge of those findings, conclusions, and recommendations and, except on grounds of plain error, from appellate review of unobjected-to factual findings and legal conclusions accepted and adopted by the district court. FED. R. CIV. P. 72(b)(2); see also *Douglass v. United Servs. Auto. Ass’n,* 79 F.3d 1415, 1428–29 (5th Cir. 1996) (*en banc*).

SIGNED this 30th day of March, 2025.

ROY S. PAYNE
UNITED STATES MAGISTRATE JUDGE

[13] Defendant asks the Court to take judicial notice of various items—such as the patents at issue, their associated applications, and their prosecution history—which would be necessary for us to rule on the pleadings. The Court declines. This is an issue better suited to a motion for summary judgment and the more developed record that comes with it.