

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

STINGRAY GROUP INC. AND STINGRAY MUSIC USA, INC.,
PETITIONERS,

v.

EDWIN A. HERNANDEZ-MONDRAGON,
PATENT OWNER.

CASE IPR2025-00349
PATENT 10,123,074

PETITIONERS' BRIEF REGARDING FINTIV FACTORS
AND PATENT OWNER'S COUNSEL'S MOTION TO
WITHDRAW FROM DISTRICT COURT PROCEEDING

CURRENT EXHIBIT LIST

No.	Brief Description
1001	U.S. Patent No. 10,123,074
1002	Declaration of Mr. Stuart Lipoff
1003	U.S. Patent No. 8,954,600 to Avellan, et al. (“Avellan”)
1004	U.S. Patent No. 8,819,043 to Durante, et al. (“Durante”)
1005	U.S. Patent No. 9,635,075 to Ma, et al. (“Ma”)
1006	U.S. Patent No. 6,463,445 to Suzuki, et al. (“Suzuki”)
1007	U.S. Patent Application Publication No. 2004/0031052 to Wannamaker, et al. (“Wannamaker”)
1008	U.S. Patent No. 7,778,279 to Heikens, et al. (“Heikens”)
1009	U.S. Patent No. 9,264,750 to Matthews, et al. (“Matthews”)
1010	U.S. Patent No. 9,240,966 to Wilsher, et al. (“Wilsher”)
1011	File History of the ’074 Patent
1012	Declaration of Michael D. McBride in Support of Petitioners’ Notice of Intent to Designate Provisionally Recognized Attorney Michael D. McBride as Backup Counsel
1013	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 190 (February 12, 2025, Order Denying Motion to Stay Pending IPRs)
1014	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 202 (March 10, 2025, Order Denying Motion for Preliminary Injunction)
1015	April 9, 2025, correspondence from Plaintiffs’ counsel serving Third Amended Complaint and dismissing Counts 8 and 9
1016	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 82 (July 15, 2024, Plaintiffs’ Second Amended Complaint)
1017	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 207 (March 12, 2025, Order Denying Plaintiffs’ Motion to Strike Reply Brief and <i>sua sponte</i> Order Cancelling Scheduled Markman Hearing)
1018	SDFL Trial Stats

No.	Brief Description
1019	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 214 (April 9, 2025, Plaintiffs' Third Amended Complaint)
1020	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 214 (April 9, 2025, Plaintiffs' Exhibit 24 to Third Amended Complaint)
1021	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 215 (April 11, 2025, Defendants Stingray Group, Inc.'s and Stingray Music USA, Inc.'s Stipulation Regarding the Defense of Patent Invalidity)
1022	April 11, 2025, correspondence from Defendants AT&T Enterprises, LLC, Blue Stream Communications, LLC, and Millicom International Service, LLC's counsel serving Plaintiffs' counsel with Stipulation Regarding the Defense of Patent Invalidity.
1023	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 13 (May 7, 2024, Plaintiffs Filing of Proof of Service on Defendant Stingray Music USA, Inc.)
1024	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 266 (May 28, 2025, Motion for Leave to Withdraw as Counsel for Plaintiffs Dr. Edwin A. Hernandez and Egla Corp.)
1025	<i>Edwin A. Hernandez, et al. v. Stingray Group Inc., et al.</i> , Case No. 1:24-cv-21226, Dkt. 258 (May 20, 2025, Order Granting Joint Motion for Continuance of Certain Pre-Trial Deadlines)

On May 28, 2025, Patent Owner’s counsel moved to withdraw from the underlying litigation. Ex. 1024. As stated in their motion, “Plaintiffs insist upon taking action that Counsel considers imprudent.” *Id.* For example, Patent Owner “will not pay the mediator’s fee for the Court-ordered mediation scheduled in this case” and “will not provide Counsel with dates for their deposition, despite Counsel’s repeated requests.” *Id.* Both compliance with the Court’s mediation requirements and with Rule 30 of the Federal Rules of Civil Procedure (setting forth “Depositions by Oral Examination”) are mandatory. Additionally, as stated in counsel’s motion, Patent Owner “cannot pay Counsel’s bills, including past and current” and presumably faced a similar problem with respect to Patent Owner’s damages expert, who “abruptly terminated his engagement.” *Id.*

All of Patent Owner’s counsel have moved to withdraw and have asked the Court for a 30-day continuance to allow Plaintiffs time to search for new counsel. *Id.* But there is no indication that a 30-day continuance will provide Plaintiffs with sufficient time to locate and retain new counsel.

The litigation cannot proceed until Plaintiff EGLA Corp.—the exclusive licensee of the Patents-at-Issue—is represented by counsel. *Palazzo v. Gulf Oil Corp.*, 764 F.2d 1381, 1385 (11th Cir. 1985) (stating that a corporation “cannot appear *pro se*” and “must be represented by counsel”). Given that Plaintiffs admit that it is “too late” to find a new damages expert and “cannot pay

Counsel's bills" it is exceedingly likely that the case will be delayed for the foreseeable future. Ex. 1024. This not only renders the current schedule indisputably speculative under *Fintiv* Factor 2, but it makes it even more likely that the Court will stay the case upon institution for purposes of *Fintiv* Factor 1.

Moreover, Plaintiffs' unwillingness to participate in litigation—including their refusal to comply with the Court's mediation requirements and refusal to be deposed—risks dismissal of the case. See *Williams v. Bank of Am. Corp.*, 824 Fed. App'x 790, 796 (11th Cir. 2020) (dismissal with prejudice warranted where Plaintiff refused to appear for court-ordered deposition). But even a dismissal with prejudice would not cure the harm to Petitioners if the Board elects to discretionarily deny institution. Patent Owner would still be able to assert the Patents-at-Issue against future products, but Petitioners would be prevented from re-filing their Petition by operation of statute. As a result, the increasing likelihood that there may not even be a parallel proceeding in district court favors institution under *Fintiv* Factors 4 and 5.

Lastly, given counsel's intent to withdraw and the resulting uncertainty of when—or if—the case will proceed, the Parties have agreed to remove the scheduled depositions of the Stingray Petitioners and other Defendants. As a result, Petitioners respectfully submit that *Fintiv* Factor 3 also continues to favor institution. As a result, the Board should reject Patent Owner's request for denial.

Dated: June 4, 2025

Respectfully submitted,

/s/ Masood Anjom

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Counsel for Petitioners,

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CERTIFICATE OF SERVICE

The undersigned certifies that on the fourth day of June, 2025, a complete and entire copy of the foregoing “PETITIONERS’ BRIEF REGARDING FINTIV FACTORS AND PATENT OWNER’S COUNSEL’S MOTION TO WITHDRAW FROM DISTRICT COURT PROCEEDING” including exhibits, if any, was served on the date below on the following counsel of record via email per Patent Owner’s consent to electronic service.

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