

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

RESONANT SYSTEMS, INC. d/b/a
RevelHMI,

Plaintiff,

v.

NINTENDO CO., LTD.,

Defendant.

Case No. 2:25-cv-00090-JRG

**PLAINTIFF RESONANT'S OPPOSITION TO NINTENDO'S
MOTION TO STAY PENDING *INTER PARTES* REVIEW**

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I. INTRODUCTION

Defendant Nintendo Co., Ltd. (“Nintendo”) has failed to meet its burden to show that a stay pending *inter partes* review (IPR) is warranted. The point of a stay pending IPR is to simplify the issues before the Court. But here, any simplification of the issues remains speculative. As previously explained by this Court in denying motions to stay even after institution, there is no guarantee that all asserted claims will be invalidated in IPR. Moreover, Nintendo’s motion is not even based on its own petition, but rather a petition filed by non-party Apple. Nintendo has not agreed to be bound by the full IPR estoppel in the event its motion for joinder, which was filed past the statutory deadline, is denied. The potential for simplification of the issues is minimal, and far outweighed by the substantial prejudice to Resonant that would result from delaying enforcement of its patent rights.

Nintendo’s motion to stay should be denied.

II. LEGAL STANDARD

“Courts have the inherent power to manage their dockets and stay proceedings.” *Realtime Data LLC v. Actian Corp.*, No. 6:15-CV-463-RWS-JDL, 2016 WL 3277259, at *1 (E.D. Tex. June 14, 2016). Accordingly, there is “no per se rule that patent cases should be stayed pending PTO proceedings, because such a rule ‘would invite parties to unilaterally derail litigation.’” *Id.* (quoting *Soverain Software LLC v. Amazon.Com, Inc.*, 356 F. Supp. 2d 660, 662 (E.D. Tex. 2005)); *see also Comcast Cable Commc’ns Corp., LLC v. Finisar Corp.*, No. C 06-04206 WHA, 2007 WL 1052883, at *1 (N.D. Cal. Apr. 5, 2007) (“If litigation were stayed every time a claim in suit undergoes reexamination, federal infringement actions would be dogged by fits and starts. Federal court calendars should not be hijacked in this manner.”). A stay is appropriate only where “the benefits of a stay outweigh the inherent costs of postponing resolution of the litigation.” *Parallel*

Networks Licensing, LLC v. Ramquest Software, Inc., No. 4:19-CV-487, 2020 WL 1236266, at *4 (E.D. Tex. Mar. 13, 2020).

In determining whether to grant a stay, courts consider three factors: (1) whether the stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party; (2) whether a stay will simplify the issues in question and trial of the case; and (3) whether discovery is complete and whether a trial date has been set. *Realtime*, 2016 WL 3277259, at *1 (citing *Soverain*, 356 F. Supp. 2d at 662). As discussed below, all three factors weigh against a stay.

III. ARGUMENT

A. Resonant Would Be Substantially Prejudiced by Delaying This Case Until the IPRs Are Resolved

In denying Sony's motion to stay pending IPR in Case No. 2:22-CV-00424-JRG, which also involves the '337 patent asserted in this case, this Court rejected Sony's argument that Resonant cannot be prejudiced and found "this factor disfavors a stay." *Resonant Sys. Inc. v. Sony Grp. Corp.*, No. 2:22-CV-00424-JRG, Dkt. 84 at 5 (E.D. Tex. July 9, 2024) ("-424 Order"). The Court explained that "a plaintiff has a right to the timely enforcement of its patent rights, regardless of whether it seeks monetary damages or an injunction," and that delaying the litigation "would prejudice Plaintiff [Resonant]'s ability to vindicate its patent rights." *Id.* at 5; *see also Headwater Rsch. LLC v. Samsung Elecs. Co.*, No. 2:23-CV-00103-JRG-RSP, 2024 WL 5080240, at *2 (E.D. Tex. Dec. 11, 2024) ("All parties have an interest in the timely vindication of their patent rights, regardless of their practicing status."); *Chrimar Sys., Inc. v. Adtran, Inc.*, No. 6:15-CV-00618-JRG, 2016 WL 11746525, at *1 (E.D. Tex. Dec. 28, 2016) ("Defendants' argument suggests that only those parties who seek injunctions could ever experience undue prejudice from the delay of the final resolution of their case. This cannot be the case.").

This case is no different. Resonant will be substantially prejudiced by delaying resolution of this patent infringement dispute. The Court rejected Sony’s argument that Resonant cannot be prejudiced due to its non-practicing status in the -424 case, and should reject it here too.

Nintendo’s assertion that a Final Written Decision (FWD) in the Apple IPR is expected in “only a few months” (Mot. at 5) is misleading. The Apple IPR was instituted in October 2024 (IPR2024-00807, Paper 10), and thus a FWD is not expected until October 2025. This deadline could very well be extended by another six months to April 2026, especially given Nintendo’s request for joinder. *See* 35 U.S.C. § 316(a)(11) (“the Director may, for good cause shown, extend the 1-year period by not more than 6 months, and may adjust the time periods in this paragraph in the case of joinder under section 315(c)”). A stay could thus result in a delay of nearly a year—much more than “a few months”—not even accounting for appeals. *See Sable Networks, Inc. v. Splunk Inc.*, No. 5:21-CV-00040-RWS, Dkt. 77 at 3 (E.D. Tex. Nov. 1, 2021) (finding this factor weighed against a stay even though plaintiff was “not currently practicing the patents,” as “a potential appeal could cause a lengthy delay that would significantly prejudice [plaintiff]”).¹

Resonant’s purported delay in filing this case does not negate this prejudice. Resonant is a small company, and its patented technology is being infringed by many other companies across various industries (e.g., Apple, Sony, Meta, Samsung). In addition, Resonant was focused on commercializing its patented technology up until 2020, when COVID-related disruptions made it impossible to continue as an operating company. Resonant then turned its focus to licensing/enforcement, diligently investigated its claims, and filed a patent infringement complaint as soon as practicable.

¹ Nintendo’s arguments about the stage of this litigation are irrelevant under this factor.

Nintendo's accusations of "gamesmanship" are also unavailing. Claims 2 and 3 of the '337 patent remain valid and enforceable, so Resonant was well within its rights to file suit on these claims. That claims in *other* patents not asserted here were disclaimed or found unpatentable is inconsequential. It is well established that "separate patents describe separate and distinct inventions, and it can not be presumed that related patents rise and fall together." *Comair Rotron, Inc. v. Nippon Densan Corp.*, 49 F.3d 1535, 1539 (Fed. Cir. 1995). Resonant is entitled to its day in court regarding the validity of the '337 claims. Indeed, as discussed further below, this Court rejected similar arguments regarding improper reliance on IPRs concerning other patents in denying Sony's motion to stay. *See* -424 Order at 4.

The prejudice to Resonant that would result from indefinitely delaying resolution of this patent infringement dispute weighs against a stay.

B. The Stage of the Litigation Is Insufficient to Support a Stay

While it is true that this case is in the early stages, this is insufficient to support a stay in light of the prejudice to Resonant and the fact that any potential for issue simplification is speculative. The Scheduling Conference is set for May 28, and this case will likely be set for trial before the Court rules on Nintendo's motion to stay. Dkt. 16. It would be more efficient to let this case proceed as scheduled than to indefinitely delay. *See Soverain*, 356 F. Supp. 2d at 663 ("Some of the claims may change in this case, but the Court is of the opinion that the interests of justice will be better served by dealing with that contingency when and if it occurs, rather than putting this case indefinitely on hold."). The related -424 case proves this point, as the parties reached a settlement and voluntarily dismissed the case within months after this Court denied Sony's motion to stay. *See* -424 Case, Dkt. 165.

C. Simplification of the Issues that May Result from a Stay Is Speculative

As explained by this Court, while “there is some possibility that resolution of the IPR could simplify the issues of this case, that is far from a certainty. It is unknown whether the PTAB will find all or even some of the asserted claims unpatentable. The only scenario in which the IPR disposes of the entire case is if the PTAB invalidates all claims of the [asserted] Patent and the Federal Circuit affirms the PTAB’s decision on appeal.” *Lionra Techs. Ltd. v. Cisco Sys., Inc.*, No. 2:24-CV-00097-JRG, 2025 WL 1239317, at *4 (E.D. Tex. Apr. 29, 2025); *Netlist, Inc. v. Samsung Electronics Co. Ltd.*, No. 2:22-cv-00293-JRG, Dkt. 689 at 5 (E.D. Tex. Mar. 11, 2024) (same); *Kirsch Rsch. & Dev., LLC v. Epilay Inc.*, No. 2:20-cv-03773-RGK-RAO, 2021 WL 4704721, at *3 (C.D. Cal. Aug. 18, 2021) (denying motion to stay even after institution and finding it “inappropriate for the Court to speculate as to the outcome of the instituted IPRs”). The same reasoning applies here. Any simplification of the issues is speculative and does not support a stay.

If any claim survives IPR, this case will go to trial and the Court will still have to resolve claim construction, infringement, invalidity, damages, and other issues after the stay is lifted. *See Lionra*, 2025 WL 1239317, at *4 (explaining that “the IPR only covers a portion of Defendant’s invalidity arguments” and does not cover other invalidity arguments such as under §§ 101 and 112). And because Nintendo is not a petitioner in the Apple IPR, any potential for issue simplification is reduced even further. There is no guarantee that Nintendo’s joinder request will be granted, especially since it was filed out of time. *See* 37 CFR § 42.122(b); Dkt. 18-17 at 2 (Nintendo’s Motion for Joinder acknowledging that its motion was “filed after the one-month date on which the Apple IPR was instituted”). Importantly, Nintendo has not agreed to be bound by IPR estoppel in the event its request is denied. *See Realtime Data, LLC v. Rackspace US, Inc.*, No. 6:16-CV-00961, 2017 WL 772654, at *3 (E.D. Tex. Feb. 28, 2017) (“[W]here defendants do not

agree to be bound by the full estoppel provisions of § 315, IPR ‘may not actually simplify the issues at all.’”).

Moreover, the Federal Circuit just issued a decision showing the extraordinarily limited potential for issue simplification as a result of IPR estoppel. *Ingenico Inc. v. IOENGINE, LLC*, No. 2023-1367, 2025 WL 1318188 (Fed. Cir. May 7, 2025). That decision holds that “IPR estoppel applies only to a petitioner’s assertions in district court that the claimed invention is invalid under 35 U.S.C. §§ 102 or 103 because it was *patented or described in a printed publication* (or would have been obvious only on the basis of prior art patents or printed publications).” *Id.* at *7 (emphasis added). The *Ingenico* panel explicitly stated that “*IPR estoppel does not preclude a petitioner from relying on the same patents and printed publications* [that were asserted in the IPR] *as evidence in asserting a ground that could not be raised during the IPR, such as that the claimed invention was known or used by others, on sale, or in public use.*” *Id.*

In other words, according to the *Ingenico* panel’s narrow articulation of IPR estoppel, a defendant purportedly “estopped” by an adverse final written decision could use ***the exact same art*** (and even the exact same *combinations* of art) raised in the IPR before the district court, so long as the defendant used that art to argue that the “claimed invention was known ... by others.” *See id.* As a result, even if ultimately applicable to Nintendo, any potential for issue simplification resulting from IPR estoppel is negligible.

Contrary to Nintendo’s assertions, the mere fact of institution does not make it likely the PTAB will invalidate the ’337 claims. Meeting the reasonable likelihood standard for institution simply means that the petitioner’s arguments were sufficient to warrant a review, and is easier to meet than the preponderance standard required for a finding of unpatentability. Nor does the fact that Apple’s IPR was instituted on “multiple” grounds make invalidation more likely. As expressly

noted in the institution decision, the Board is *required by law* to “address all grounds of unpatentability raised by the petitioner” upon institution. Dkt. 18-9 at 47–48 (citing 37 C.F.R. § 42.108(a); *SAS Inst., Inc. v. Iancu*, 138 S. Ct. 1348, 1359–60 (2018); *AC Techs. S.A. v. Amazon.com, Inc.*, 912 F.3d 1358, 1364 (Fed. Cir. 2019)).

Nintendo’s heavy reliance on the PTAB’s unpatentability findings for the ’830 patent is also misplaced. Separate patents describe separate inventions. *Comair*, 49 F.3d at 1539. The mere fact that the claims share common language is no guarantee that Apple’s petition will be successful. Indeed, the PTAB’s FWD regarding the ’830 patent claims relied on prior art that is not even asserted in Apple’s IPR. The PTAB found claims 1 and 15–17 of the ’830 patent unpatentable based on Fukumoto, Saiki, and Masahiko (Dkt. 18-12 at 67, 69), whereas Apple’s petition relies on Wakuda, Ramsay, Rossi, Aldrich, Gregorio, and Tierling (Dkt. 18-9 at 7). Thus, the PTAB’s FWD on the ’830 claims says *nothing* about the purported likelihood of the ’337 claims being invalidated. This Court rejected similar arguments by Sony in the -424 case, and should reject them here too. -424 Order at 4 (“Defendants’ attempt to rely on non-party Samsung’s IPRs is misguided. The fact that the claims of the ’337 patent and the ’081 patent may share some common language does not guarantee that the PTAB will institute IPR on the ’337 patent. Moreover, Samsung challenges the ’081 patent using different grounds than Sony’s challenge to the ’337 patent. That fact further diminishes the impact of the Samsung IPR as to the likelihood of institution for the remaining ’337 patent.”). In addition, Resonant has appealed the ’830 FWD to the Federal Circuit. IPR2023-00993, Paper No. 50 (Patent Owner’s Notice of Appeal).

Nintendo’s reliance on Apple’s district court action (Mot. at 11) should be rejected, as the ’337 patent is no longer asserted by Resonant in that case. And there is no authority supporting a

stay pending another district court litigation involving different parties and different products, in any event.

Finally, Nintendo's assertion that the "similarly situated Meta Action" would also be simplified by a stay (Mot. at 11) is nonsensical. Whether the Meta Action, which is in the Western District of Texas, will be simplified by a stay is also speculative, and in any event completely irrelevant to the issue of whether the issues *in this case* will be simplified.

This factor also weighs against a stay.

IV. CONCLUSION

For the foregoing reasons, Nintendo's motion to stay should be denied.

Dated: May 21, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on May 21, 2025, I electronically filed the foregoing document with the Clerk of the Court for the Eastern District of Texas using the ECF System which will send notification to the registered participants of the ECF System as listed on the Court's Notice of Electronic Filing.

/s/ Reza Mirzaie
Reza Mirzaie