

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

NIVAGEN, INC.,

Plaintiff

v.

SUN PHARMACEUTICALS INDUSTRIES,
INC.,

Defendant.

Case No.: 2:24-cv-00036-RWS-RSP

JURY TRIAL DEMANDED

**DEFENDANT SUN'S MOTION TO STAY DEADLINES AND MOTION FOR
PROTECTIVE ORDER PENDING TRANSFER**

Defendant Sun Pharmaceuticals Industries, Inc. (“Sun”) respectfully moves this Court to stay all deadlines in this case and for a protective order to protect Sun from having to produce witnesses for deposition until transfer of this case to the District of New Jersey.¹ (D.I. 71.)

This Court has already ruled that venue does not lie in this district and ordered transfer. (D.I. 71.) Moreover, this Court cancelled a previously scheduled hearing on claim construction as well as a hearing on a motion to compel filed by Sun in early July. (August 11, 2025 Text Order.) Sun interpreted the Court’s actions to suggest further consideration of this case should be deferred to the District of New Jersey. Nivagen, however, disagrees and has taken the position that “absent a court order or approved stipulation, Sun is required to comply with the existing deadlines of the operative amended docket control order.” (Ex. A.).

In light of Nivagen’s position, Sun requests that this Court enter an order staying all current deadlines and an order protecting Sun from producing its witnesses for deposition prior to the pleadings closing and entry of a case schedule by the District of New Jersey.

Staying all deadlines in this case, including those set forth in the Court’s First Amended Docket Control Order (D.I. 69) and the Federal Rules of Civil Procedure, will conserve judicial resources, minimize duplicative or unnecessary expenditures by both parties, and allow the District of New Jersey Court discretion to implement a scheduling order in view of pending discovery issues and Sun’s forthcoming counterclaims, as well as its own caseload, docket and trial calendar.

¹ Sun proposed prior to filing this motion a compromise where Sun would agree to: (1) answer/respond within 14 days after the case is transferred to New Jersey, while reserving rights under the district of New Jersey and its local rules; (2) submit a joint letter to the Court within 10 days after the pleadings close to request a scheduling conference; and (3) meet and confer with Nivagen during the transfer period and pleading stage to resolve outstanding discovery issues, narrow outstanding issues for the court, and propose a revised schedule. All other dates would be stayed. Nivagen responded by demanding that fact depositions proceed next week.

I. FACTUAL BACKGROUND

On January 23, 2024, Plaintiff Nivagen Pharmaceuticals, Inc. (“Nivagen”) filed this action in the Eastern District of Texas. (D.I. 1.) Nivagen did not serve Sun with the Complaint until April 22, 2024. (D.I. 9.) On June 27, 2024, Sun filed a Motion to Dismiss for Improper Venue or, in the Alternative, Transfer. (D.I. 16.) On August 8, 2025, the Court granted Sun’s motion and transferred the case to the District of New Jersey pursuant to 28 U.S.C. § 1406. (D.I. 71.)

While Sun’s motion to dismiss was pending, the parties litigated this case in accordance with the Court’s Docket Control Orders and the local rules of this district. The parties engaged in written discovery, produced documents, briefed claim construction, and conducted a few depositions. As part of these efforts, Sun identified deficiencies in Nivagen’s document production and discovery responses. On July 7, 2025, Sun filed a motion to compel further discovery from Nivagen, including the production of additional documents. That motion has not been ruled upon, and the Court cancelled the hearing pending transfer.

Since filing its initial motion to compel, Sun has identified and raised additional concerns with Nivagen about the scope of its document production, the sufficiency of its privilege log, and inadequately prepared Rule 30(b)(6) designee. With respect to Nivagen’s document production, Sun has noted that: (1) it appears that Nivagen’s document collection, search, and/or production resulted in the failure to produce numerous relevant attachments; and (2) Nivagen appears to have failed to search third-party file storage systems under Nivagen’s custody and control, including Google Drive, Dropbox, and Box, for relevant documents. Sun has brought these issues to Nivagen’s attention, but Nivagen has thus far refused to meet and confer, despite the impact they have on the rest of the case and upcoming depositions.

Additionally, Sun recently discovered that Nivagen’s privilege log is woefully deficient. By successfully challenging the legitimacy of a privilege claim asserted by Nivagen’s patent

prosecution counsel, Sun uncovered that Nivagen's privilege log was done categorically even though each entry listed a single date and time, misleadingly suggesting that each entry concerned a single document. Further causing issues is that Nivagen recently clawed back a document based on alleged privilege and refused to permit Sun to examine a witness on it. The document contained no attorney. Nivagen's privilege claim is ostensibly weak and will be challenged. Nivagen's clawback calls into question the legitimacy of the rest of its categorical privilege log. As with the production issues, Nivagen has refused to meet and confer on the outstanding privilege issues.

Finally, with respect to Nivagen's unprepared 30(b)(6) witness, Sun has raised concerns with Nivagen's preparedness and requested a meet and confer, but one has not yet been scheduled. All of these issues, among others, remain outstanding.

Prior to entry of the Court's transfer Order, the parties had several more depositions scheduled. Following the Court's transfer Order, the parties agreed to suspend the deposition dates for witnesses scheduled for the week of August 11, 2025, to discuss how the case should proceed. The parties have not reached an agreement regarding the previously scheduled depositions. Sun believes that all remaining depositions should be postponed until Sun has filed its answer and counterclaims, the parties resolve the outstanding discovery issues, and the court in the District of New Jersey has entered its own case schedule in view of the current case posture and its own docket considerations. Nivagen disagrees and has taken the position that it "expect[s] to depose [Sun witnesses] Todd Hawkins, Ajay Khopade, and Pradeep Patil within the fact discovery period, or on a date from court-approved agreement outside the fact discovery period." (Ex. A).

Nivagen has stated that the case is not stayed and "absent a court order or approved stipulation" the parties must meet the deadlines in the Court's Docket Control Order. (Ex. A).

II. LEGAL STANDARD

A district court has the inherent power to stay proceedings. *Evolutionary Intelligence, LLC v. Sprint Nextel, Inc.*, No. 6:12-CV-00791, 2013 WL 12162396, at *1 (E.D. Tex. Sept. 18, 2013) (citing *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936)). Courts, when deciding whether to stay a proceeding “must weigh competing interests and maintain an even balance.” *Id.* When evaluating a request to stay pending resolution of a transfer motion, Courts in this Circuit consider: (1) the potential prejudice to the nonmoving party from a stay; (2) the hardship and inequity to the moving party if the stay is denied; and (3) the judicial efficiency in avoiding duplicative litigation. *See Nguyen v. BP Exploration & Prod. Inc.*, No. H-10-2484, 2010 WL 3169316, at *1 (S.D. Tex. Aug. 9, 2010) (granting motion to stay pending resolution of transfer).

This Court has, on numerous occasions, found it proper to suspend or stay deadlines in a case pending effectuation of a transfer. *See, e.g., Abstrax, Inc. v. Sun Microsystems, Inc.*, No. 2:07-CV-333, 2009 WL 2824581, at *2 (E.D. Tex. Aug. 28, 2009) (“In light of the transfer of venue, the Court suspends any and all pending deadlines as indicated in the Docket Control Order. Likewise, the Court suspends any deadline under the Local Rules for responding to pending motions.”); *Orinda Intellectual Properties USA Holding Group, Inc. v. Sony Corp.*, No. 2:08-CV-323, 2009 WL 3261932, at *4 (E.D. Tex. Sept. 29, 2009) (same); *Lyons v. Nike, Inc.*, No. 2:08-cv-403, 2009 WL 10694487, at *1 (E.D. Tex. Sept. 17, 2009) (same). Indeed, recent cases involving this situation, the parties have jointly moved the Court for an order suspending or staying the proceedings pending transfer. *See, e.g., Order Granting Motion to Stay Deadlines, Maxell, Ltd. v. LG Elec. Inc.*, No. 5-23-cv-00152 (E.D. Tex. July 11, 2024), ECF No. 62 (granting joint motion to stay pending transfer); *Order re Stipulation to Stay Deadlines Pending Transfer, Touchstream Tech., Inc. v. Altice USA, Inc.*, No. 2:23-cv-00060 (E.D. Tex. Mar. 14, 2024), ECF No. 157 (same).

III. ARGUMENT

A. Staying Case Deadlines and Depositions Will Promote Judicial Efficiency

Staying this case and suspending all deadlines promotes judicial efficiency and protects the parties against unnecessary inconvenience and expense. If the Court requires the parties to substantively progress this case pending transfer, the parties will needlessly burden this Court with filings and discovery disputes that will have to be revisited by a court in another jurisdiction. The District of New Jersey will assuredly enter its own scheduling order in view of the current posture of the case, including the fact that Sun has not yet filed its counterclaims as well as the scope of outstanding issues; requiring the parties to continue to litigate the case in this Court needlessly burdens the Court and causes unnecessary expense and confusion.

Indeed, the Court has already recognized that it makes sense to refer further issues in this case to the transferee court in the District of New Jersey, as evidenced by its cancellation of the previously scheduled August 14 hearing on Sun's pending motion to compel and the Markman hearing. (August 11, 2025 Text Order) ("Motion and Markman Hearing set for 8/14/2025 at 09:00 AM before Magistrate Judge Roy S. Payne is **CANCELED** *pending transfer*.") (emphasis added).

B. Numerous Outstanding Discovery Issues Will Impact the Case Schedule and the Scope of Depositions

Given the discovery deficiencies identified by Sun, the scope of further discovery and depositions in this case is uncertain. Issues permeate Nivagen's production, and should Sun prevail on its pending motion to compel or forthcoming motion(s) to compel (absent agreement by the parties), Nivagen will have to search for and produce additional documents, including from additional custodian(s) and sources, provide supplemental discovery responses, and investigate

and ameliorate privilege log issues. At this point, requiring the parties to forge ahead with depositions in the face of this uncertainty only adds to the risk of additional burden and expense.

C. Sun Has Yet to Answer the Complaint or File Counterclaims

Because Sun filed a motion to dismiss for lack of venue, it has not filed its answer and counterclaims. Requiring Sun to file its answer and counterclaims in this Court, which has already concluded that venue is improper in this district, is a waste of resources. More critically, Sun's counterclaims may affect the scope of discovery, including depositions of both parties, and, given the current posture, should be considered by the District of New Jersey in implementing a case schedule going forward. There is no reason for this Court to be burdened with how Sun's answer and counterclaims may affect this case.

D. Suspending All Deadlines is Consistent with this Court's Practice.

Staying the case is consistent with other decisions from this Court ordering a stay pending effectuation of a transfer. *See, e.g., Abstrax, Inc.*, WL 2824581, at *2; *Orinda Intellectual Properties*, 2009 WL 3261932, at *4; *Lyons*, 2009 WL 10694487, at *1; *Maxell, Ltd. v. LG Elec. Inc.*, No. 5-23-cv-00152 (E.D. Tex. July 11, 2024); *Touchstream Tech., Inc. v. Altice USA, Inc.*, No. 2:23-cv-00060 (E.D. Tex. Mar. 14, 2024).

E. The New Jersey Court Has Discretion Over Its Docket

Like this Court, the court in the District of New Jersey has broad discretion over its docket. *United States v. Washington*, 869 F.3d 193, 220 (3d Cir. 2017). And, like this Court, New Jersey has its own caseload, trial schedule, local rules, local patent rules, and standing orders, all of which will affect the schedule going forward in this case. Courts routinely recognize forward-looking deadlines are the province of the transferee court that will be taking over management of the case. *See, e.g., Vasseur v. Johnson & Johnson Consumer, Inc.*, No. 2:24-cv-07487, 2025 WL 576548,

at *3 (C.D. Cal. Feb. 12, 2025) (“The Court defers to the transferee court to reset the pleading deadlines.”); *Chance v. American Institute of Toxicology, Inc.*, No. 6:14-cv-1042, 2015 WL 13792223, at *1 (M.D. Fla. Oct. 13, 2015) (“The [] deadline for conducting a settlement conference is stayed pending order of the transferee court setting a new deadline.”). It thus makes sense that this Court would defer considerations and issues of scheduling to the court in the District of New Jersey, under whose docket the case will continue to progress.

IV. Sun Requests Its Fees and Costs Associated with Filing this Motion

In addition to staying the case deadlines and issuing a protective order protecting Sun from producing its witnesses for deposition, Sun further requests that the Court grant Sun its fees and costs associated with the filing of this motion. Despite Sun’s hope that it would not have to needlessly burden this Court any further with this case that was filed by Nivagen in a district where venue does not lie, Nivagen has doubled down on its misguided strategy to strongarm Sun and has insisted on taking the nonsensical position that the parties should continue to adhere to a schedule that will necessarily be subject to—and overwhelmingly likely changed in view of—the District of New Jersey’s caseload, docket and availability for trial. Given the unreasonableness of Nivagen’s position, Sun requests that the Court grant Sun its fees and costs incurred in preparing and filing this motion.

V. CONCLUSION

For the foregoing reasons, Sun respectfully requests an order from this Court (1) staying all deadlines in this case pending entry of a scheduling order by the District of New Jersey; and (2) protecting Sun from having to produce its witnesses for deposition pending entry of a scheduling order by the District of New Jersey.

Date: August 15, 2025

Respectfully submitted,

s/ Eric H. Findlay

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***Counsel for Defendant Sun
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CERTIFICATE OF SERVICE

I hereby certify that on August 15, 2025, all counsel of record who have consented to electronic service are being served this with a copy of this document via the Court's CM/ECF system.

/s/ Eric H. Findlay
Eric H. Findlay

CERTIFICATE OF CONFERENCE

I hereby certify that counsel for Defendant, Samuel T. Lockner and Eric H. Findlay, have held a telephonic meet and confer on August 13, 2025 with counsel for Plaintiff, Shashank Upadhye and William E. Davis, III, regarding the relief requested in this Motion. Counsel for Plaintiff indicated that they are opposed to the relief sought herein.

/s/ Eric H. Findlay
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