UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Norfolk Division

SOUNDCLEAR TECHNOLOGIES LLC, Plaintiff, v. AMAZON.COM, INC., AMAZON.COM LLC, and AMAZON WEB SERVICES, INC., Defendants.	Civil No. 2:24cv320

ORDER

Before the Court are a Motion to Stay Pending *Inter Partes* Review (the "Motion to Stay") (ECF No. 49) and a Memorandum in Support thereof (ECF No. 50) filed by Defendants Amazon.com, Inc., Amazon.com LLC, and Amazon Web Services, Inc. (collectively, "Defendants" or "Amazon"). The Court has determined that a hearing on the Motion is not necessary, as the matters for decision are adequately presented in the briefs. *See* E.D. Va. Local Civ. R. 7(J). For the reasons below, the Motion (ECF No. 49) is **GRANTED.**

I. BACKGROUND

On May 1, 2024, Plaintiff SOUNDCLEAR TECHNOLOGIES LLC ("SoundClear" or "Plaintiff") filed a three-count Complaint alleging that Amazon is infringing on three patents that SoundClear holds—patent numbers 9,031,259 (the "'259 patent"); 9,070,374 (the "'374 patent"); and 9,804,819 (the "'819 patent"). Compl., ECF No. 1 ("Compl."). The patents involve audio technologies and were originally

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obtained by research and development engineers at the "audio processing product powerhouse" JVC Kenwood, before being acquired by SoundClear. *Id.* ¶¶ 53, 59. That same day, May 1, 2024, SoundClear also filed an analogous complaint against Google LLC ("Google") in a separate case before this court, alleging that Google was infringing on the same three patents. *See generally* Compl., *SOUNDCLEAR TECHNOLOGIES LLC v. Google LLC*, No. 2:24cv321 (E.D. Va. May 1, 2024), ECF No. 1.

After being served and obtaining an extension of time to respond, *see* Order, ECF No. 16, Amazon filed a Motion to Dismiss for Failure to State a Claim Under Rule 12(b)(6) (the "Motion to Dismiss") on August 26, 2024, seeking dismissal of (1) the claims related to the '374 and '819 patents, (2) the infringement claims directed to unidentified accused products and (3) all claims for willful infringement. Mot. Dismiss, ECF No. 30; s*ee* Mem. Supp. Mot. Dismiss, ECF No. 31. On March 31, 2025, this Court granted in part and denied in part the Motion to Dismiss. Order, ECF No. 48. Therein, the Court dismissed SoundClear's prayer for relief in the form of "enhanced damages for willful infringement" with prejudice, dismissed Count III of the Complaint without prejudice, and denied the Motion to Dismiss in all other respects. *Id.*

On February 10, 2025, pursuant to the related case mentioned above in *SOUNDCLEAR TECHNOLOGIES LLC v. Google LLC*, Google initiated *inter partes* review ("IPR") before the Patient Trial and Appeal Board ("PTAB") challenging the validity of the '259 and '374 patents. Mem. Supp. Mot. Stay at 3, ECF No. 50. On February 18, 2025, Google filed a Motion to Stay Pending *Inter Partes* Review in the

related case. Mot. Stay, *SOUNDCLEAR TECHNOLOGIES LLC v. Google LLC*, No. 2:24cv321 (E.D. Va. Feb. 18, 2025), ECF No. 73. On March 31, 2025, this Court issued an Order granting the Motion to Stay in the *Google* case pending resolution of the IPR proceedings. Order, *SOUNDCLEAR TECHNOLOGIES LLC v. Google LLC*, No. 2:24cv321 (E.D. Va. Mar. 31, 2025), ECF No. 84.

On April 7, 2025, Amazon filed the instant Motion to Stay along with its Memorandum in Support thereof. Mot. Stay, ECF No. 49; Mem. Supp. Mot. Stay, ECF No. 50 ("Mem. Supp."). The Motion requests that the Court stay this case pending the resolution of Google's IPR petitions before the PTAB. Mem. Supp. at 1.

On April 21, 2025, SoundClear responded to Amazon's Motion to Stay. Pl. Notice Non-Opp'n Def. Mot. Stay, ECF No. 52 ("Pl. Notice"). Therein, SoundClear notes that while it "does not believe a stay is justified or appropriate . . . . for purposes of economy and efficiency, SoundClear will not oppose the relief set forth in Defendants' Motion." *Id.* The Court additionally notes that a Rule 16(b) conference and scheduling order have not yet occurred in this case. Moreover, discovery has not begun, claim construction has not occurred, and no trial date has been set. The Motion to Stay is ripe for adjudication.

II. LEGAL STANDARD

A. *Inter Partes* Review

Parties who are not owners of a patent may challenge the validity of a patent before the PTAB through *inter partes* review. 35 U.S.C. § 311. The party institutes an IPR proceeding by filing a petition with the PTAB, requesting that one or more of

the patent's claims be canceled as unpatentable under 35 U.S.C. § 102 (novelty) or 35 U.S.C. § 103 (obviousness). 35 U.S.C. § 311(b). The PTAB will authorize IPR of the patent claims if "there is a reasonable likelihood that the petitioner would prevail with respect to at least [one] of the claims challenged in the petition." 35 U.S.C. § 314(a). If IPR is instituted, the PTAB must execute a final written decision within a year, but that deadline can be extended by six months for "good cause." 35 U.S.C. § 316(a)(11). Google's Petition for *Inter Partes* Review before the PTAB has requested that the PTAB cancel all twenty (20) claims of the '259 patent and all fifteen (15) claims of the '374 patent. Mem. Supp. Mot. Stay at 3, *SOUNDCLEAR TECHNOLOGIES LLC v. Google LLC*, No. 2:24cv321 (E.D. Va. Feb. 18, 2025), ECF No. 74.

B. Discretionary Stays Pending IPR

"[T]he power to stay proceedings is incidental to the power inherent in every court to control disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants." *Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936). "When a party other than the patent owner or a real party in interest files an IPR petition, the decision to stay district court proceedings 'is left to the district court's discretion.'" *Sec. First Innovations, LLC v. Google LLC*, No. 2:23cv97, 2024 WL 234720, at *1 (E.D. Va. Jan. 22, 2024) (quoting *Sharpe Innovations, Inc. v. T-Mobile USA, Inc.*, No. 2:17cv351, 2018 WL 11198604, at *2 (E.D. Va. Jan. 10, 2018)). District courts consider the following three factors in deciding whether to issue a stay pending IPR proceedings:

(1) the stage of litigation;

(2) whether the stay would simplify the issues before the court; and

(3) whether the stay would unduly prejudice the nonmoving party.

Id. (citing *Centripetal Networks, LLC v. Keysight Tech., Inc.*, No. 2:22cv2, 2023 WL 5127163, at *3 (E.D. Va. Mar. 20, 2023) (collecting cases)).

III. ANALYSIS

The Court considers the three stay factors in turn. For the reasons stated below, the Court finds that each factor supports a stay.

A. Stage of the Litigation

Although it has been pending for over twelve (12) months since service of the Complaint, this litigation is still in the early stages. No Rule 16(b) scheduling order has been entered, discovery has not begun, and no trial date has been set. "The stage of the litigation weighs in favor of a stay when the motion is filed early in the proceedings—before a trial date or *Markman* hearing is set—and discovery has not been substantially completed." *Centripetal Networks, LLC*, 2023 WL 5127163, at *4 (citing *Audio MPEG, Inc. v. Hewlett-Packard Co.*, No. 2:15cv73, 2015 WL 5567085, at *4 (E.D. Va. Sept 21, 2015)). As in *Centripetal Networks, LLC*, here "[n]o scheduling order has been entered and the parties have yet to begin discovery." *Id.*; *cf., e.g.*, *Sec. First Innovations, LLC*, 2024 WL 234720, at *2 (finding factor neutral where scheduling order had been entered, trial date had been set, and *Markman* hearing was scheduled). Thus, the Court finds that the "stage of litigation factor favors issuing a stay." *Centripetal Networks, LLC*, 2023 WL 5127163, at *4.

B. Whether a Stay Would Simplify the Issues

The second factor is whether a stay would simplify the issues in the case, and it also weighs in favor of granting a stay here. "A stay pending the resolution of administrative proceedings will simplify matters before the district court if the administrative proceedings have the potential to dispose of claims entirely." *Id.* Here, the IPR proceedings have the potential to dispose of all of the claims as to two of the patents, possibly eliminating two of the three counts in the Complaint. In addition, even where the administrative proceeding will not dispose of all claims, "a stay may simplify matters if it allows the administrative proceedings time to build a record that assists the [district] [c]ourt's claim construction analysis." *Id.* Therefore, the Court finds that IPR, if instituted by the PTAB, will "undoubtedly simplify the issues in this case." *Sec. First Innovations, LLC*, 2024 WL 234720, at *3 (noting additionally that "[e]ven if IPR does not dispose of every patent claim at issue, validity issues would still be streamlined because final written PTAB decisions have preclusive effect").

Furthermore, "the fact that IPR has not yet been instituted does not weigh against granting a stay in this case." *Id.* (citing *Audio MPEG, Inc.*, 2015 WL 5567085, at *4). Rather, "[i]f the Court waits to grant a stay until the PTAB institutes [the] IPR petitions, the parties will necessarily engage in litigation efforts that would be duplicative of their efforts before the PTAB, which 'is precisely what a stay seeks to avoid.'" *Id.* (quoting *Sharpe Innovations, Inc.*, 2018 WL 11198604, at *3). For these reasons, the second factor favors granting the stay.

C. Undue Prejudice to SoundClear

The third factor is whether the nonmoving party would be unduly prejudiced or clearly disadvantaged. *Centripetal Networks, LLC*, 2023 WL 5127163, at *3. "[W]hether the patentee will be *unduly prejudiced* by a stay in the district court proceedings . . . focuses on the patentee's need for an expeditious resolution of its claim." *VirtualAgility Inc. v. Salesforce.com, Inc.*, 759 F.3d 1307, 1318 (Fed. Cir. 2014) (emphasis in original). "To show undue prejudice, a patentee must demonstrate that monetary damages will be insufficient to remedy their losses." *Sec. First Innovations, LLC*, 2024 WL 234720, at *4 (citing *VirtualAgility Inc.*, 759 F.3d at 1318–19). Here, it is undisputed that SoundClear is a non-practicing entity ("NPE") which holds the patents at issue but does not directly compete with Amazon. Mem. Supp. at 13. Therefore, SoundClear "has no reasonable basis for requesting or recovering anything other than monetary damages . . . which of course, can be determined regardless of any delay attributable to a stay." *Id.* (quoting *In re TLI Commc'ns, LLC*, No. 1:14md2534, 2014 WL 12615711, at *2 (E.D. Va. Aug. 11, 2014)).

While SoundClear initially opposed the Motion to Stay in its related case against Google, here, SoundClear filed a Notice of Non-Opposition to Defendant's Motion to Stay Pending Inter Partes Review. Pl. Notice. Therein, SoundClear states that it does not oppose Amazon's Motion that the present case be stayed pending the resolution of Google's IPR petitions filed with respect to U.S. Patent Nos. 9,031,259, 9,070,374, and 9,804,819. *Id.* While SoundClear maintains that it does not believe a stay is justified or appropriate, for purposes of economy and efficiency, SoundClear

does not oppose the relief set forth in Amazon's Motion to Stay. *Id.* Therefore, this factor also weighs in favor of a stay. Because all three of the stay factors support staying this action, the Motion to Stay will be **GRANTED**.

IV. CONCLUSION

For the reasons stated above, the Motion to Stay (ECF No. 49) is **GRANTED**. This matter is hereby **STAYED** pending resolution of Google's IPR petitions before the PTAB. The parties shall notify this Court within fourteen (14) days of the date on which such proceedings conclude. The Clerk is **REQUESTED** to deliver a copy of this Order to counsel of record.

IT IS SO ORDERED.

/s/
Arenda L. Wright Allen
United States District Judge

July 1, 2025
Norfolk, Virginia