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

PERCEPTIVE AUTOMATA LLC, Plaintiff, v. TESLA INC., Defendant.	Case No. 2:25-cv-000742-JRG

DEFENDANT'S OPPOSED MOTION TO STAY

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Defendant Tesla LLC ("Tesla") respectfully requests that the Court stay Plaintiff Perceptive Automata LLC's ("Perceptive") case against Tesla based on the petitions for *inter partes* review (IPR) that Tesla filed at the United States Patent and Trademark Office ("USPTO"). Tesla has filed an IPR petition with respect to each of the five asserted patents. Although pre-institution stays are not common, Tesla respectfully submits that this case presents an atypical circumstance where a pre-institution stay is appropriate. In particular, Tesla has expeditiously filed comprehensive IPRs *before* Tesla's deadline to respond to the Complaint. A short stay now while the USPTO considers whether to institute IPRs would not prejudice Perceptive, and, if the IPRs are denied institution, the case could promptly resume with minimal disruption.

I. FACTUAL BACKGROUND

Perceptive filed its complaint against Tesla on July 23, 2025. *See* Compl. (No. 2:25-cv-742, ECF 1). In that complaint, Perceptive asserts that Tesla infringes U.S. Patent Nos. 10,614,344 ("the '344 patent"), 11,126,889 ("the '889 patent"), 11,467,579 ("the '579 patent"), 11,520,346 ("the '346 patent"), 11,753,046 ("the '046 patent") (collectively, the "Asserted Patents"). Tesla sought (and Perceptive agreed to) an initial 45-day extension to Tesla's deadline to respond to the Complaint, to September 29, 2025. ECF No. 11. Perceptive later sought (and Tesla agreed to) an extension on Perceptive's deadline to provide infringement contentions, with a corresponding extension to Tesla's deadline to respond to the Complaint. ECF No. 17. The deadline for Tesla to respond to the Complaint is now October 14, 2025.

Tesla filed five IPR petitions, challenging every single claim of the Asserted Patents, as reflected in the below table:

IPR Number	Challenged Patent	Filing Date of Petition
IPR2025-01573	10,614,344	September 30, 2025
IPR2025-01574	11,126,889	October 2, 2025
IPR2025-01575	11,753,046	October 1, 2025
IPR2025-01576	11,467,579	October 9, 2025
IPR2025-01577	11,520,346	October 10, 2025

Perceptive's Patent Owner's Preliminary Responses in these IPRs will be due in three months, around January 2026. The PTAB will issue its institution decisions no later than three months later, likely around April 2026, and well before claim construction briefing is scheduled to begin in July 2026. If IPRs are instituted, Final Written Decisions deciding whether any claims of the Asserted Patents remains valid will be issued one year later, likely in April 2027 — before the scheduled trial in May 2027.

II. LEGAL STANDARD

"A district court possesses the inherent power to control its docket, including the power to stay proceedings." *Wapp Tech Ltd. P'ship v. Hewlett-Packard Enter. Co.*, No. 4:18-CV-00468, 2019 WL 3818761, at *2 (E.D. Tex. Aug. 14, 2019) (citing *Clinton v. Jones*, 520 U.S. 681, 706 (1997)); *see also Landis v. N. Am. Co.,* 299 U.S. 248, 254 (1936) ("[T]he power to stay proceedings is incidental to the power inherent in every court to control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants."). "A stay is particularly justified when 'the outcome of a PTO proceeding is likely to assist the court in determining patent validity or eliminate the need to try infringement issues.'" *Commc'n Techs., Inc. v. Samsung Elecs. Am., Inc.*, No. 2:21-CV-00444-JRG, 2023 WL 1478447, at *1 (E.D. Tex. Feb. 2, 2023) (quoting *Stingray Music USA, Inc. v. Music Choice*, 2017 WL 9885167, at *2 (E.D.

Tex. Dec. 12, 2017); *see also 3rd Eye Surveillance, LLC v. Stealth Monitoring, Inc.,* No. 6:14-cv-162-JDL, 2015 WL 179000, at *1 (E.D. Tex. Jan. 14, 2015); *Evolutionary Intelligence, LLC v. Millennial Media, Inc.,* No. 5:13-cv-04206-EJD, 2014 WL 2738501, at *2 (N.D. Cal. June 11, 2014).

In deciding whether to stay litigation pending IPRs, courts typically consider three factors: "(1) whether the stay will unduly prejudice the nonmoving party, (2) whether the proceedings before the court have reached an advanced stage . . . , and (3) whether the stay will likely result in simplifying the case before the court." *Resonant Sys., Inc. v. Nintendo Co.,* No. 2:25-CV-90-JRG, 2025 WL 2097883, at *1 (E.D. Tex. July 25, 2025) (citing *NFC Tech. LLC v. HTC Am., Inc.*, No. 2:13-cv-1058-WCB, 2015 WL 1069111, at *2 (E.D. Tex. Mar. 11, 2015)).

III. ARGUMENT

A. Perceptive Will Not Suffer Undue Prejudice

The absence of undue prejudice favors a stay in this case. "[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." *See VirtualAgility Inc. v. Salesforce.com, Inc.,* 759 F.3d 1307, 1318 (Fed. Cir. 2014). Perceptive is not an operating entity and will not suffer a loss in market share or other harm from a stay.

The current assignee of the Asserted Patents (Perceptive Automata LLC) is a Texas LLC formed in 2025, after the original assignee (Perceptive Automata, Inc.) apparently ceased operations. *See* Ex. A (Franchise Tax Records for Perceptive Automata, LLC, with taxpayer identification number redacted). Perceptive does not allege that it competes with Tesla. Perceptive does not offer any information regarding its current business practices, instead simply stating that they are a "Texas Limited Liability Company." Compl. at ¶ 1. Perceptive did not request an injunction, and instead seeks only monetary relief. *Id*. at ¶ 121.

Because Perceptive is not an active competitor of Tesla, monetary relief will sufficiently compensate Perceptive for any alleged infringement, meaning that there would be no prejudice from a stay delaying Perceptive's potential recovery. As the Federal Circuit has recognized, a "stay will not diminish the monetary damages to which [Perceptive] will be entitled if it succeeds in its infringement suit—it only delays realization of those damages and delays any potential injunctive remedy." *VirtualAgility,* 759 F.3d at 1318. The "mere delay in collecting those damages does not constitute undue prejudice." *Cellular Commc'ns Equip., LLC v. Samsung Elecs. Co., Ltd.,* No. 6:14-cv-759, 2015 WL 11143485, at *2 (E.D. Tex. Dec. 16, 2015) (internal citation omitted). Indeed, patent law already provides a mechanism to compensate patent owners like Perceptive from any delay in collecting damages: prejudgment interest. *Gen. Motors Corp. v. Devex Corp.*, 461 U.S. 648, 655 (1983) ("In the typical case an award of prejudgment interest is necessary to ensure that the patent owner is placed in as good a position as he would have been in had the infringer entered into a reasonable royalty agreement.").

On the other hand, Tesla would suffer undue prejudice in the absence of a stay since it would continue to accrue the time and expense involved in defending against infringement allegations of patent claims that the USPTO may invalidate. There is no reason for the parties to continue incurring the expenses associated with litigating patent claims that may be invalidated by a separate body.

B. The Stage of The Case Favors a Stay

This factor weighs strongly in favor of a stay. Tesla filed IPR petitions challenging every single claim of the Asserted Patents, before Tesla's deadline to respond to the Complaint. As such, staying the case now would avoid all the costs of potentially duplicative litigation. *See e-Watch Inc. v. Apple, Inc.,* No. 2:13-cv-1061-JRG-RSP, 2015 WL 12915668, at *3 (E.D. Tex. Mar. 25, 2015) (accounting for the timing of the initially-filed motion to stay in granting defendant's

renewed motion to stay). A significant amount of work remains for the parties and the Court in the litigation, and the IPRs could make all of this work unnecessary. *See Customedia Techs., LLC v. DISH Network Corp.,* No. 2:16-cv-129-JRG, 2017 WL 3836123, at *2–3 (E.D. Tex. Aug. 9, 2017) (granting an opposed motion to stay even after briefing on motions *in limine* and summary judgment had concluded).

C. The IPRs Will Simplify or Eliminate Issues, Reducing the Burden on the Parties and This Court

Because Tesla filed IPRs challenging every claim in the Asserted Patents, Tesla's IPRs have the potential to eliminate Perceptive's claims, which would be a complete simplification of issues. Moreover, even if the IPRs are only partially successful, cancellation of some claims would reduce the issues for claim construction, expert discovery, dispositive motions briefing and, ultimately, trial.

Further, the IPR petitions present prior art grounds that were not previously considered by the USPTO during prosecution of any of the patents at issue. Most notably, each of the IPRs involves International Publication No. WO2014/210334 ("Cox"), which was never brought to the attention of the USPTO, despite identifying Samuel Anthony as an inventor. This inventor appears to be the same Samuel Anthony listed as an inventor on each of the asserted patents. Tesla respectfully submits that the USPTO should assess the impact of Cox on the asserted patents before this litigation proceeds. As noted by both the Federal Circuit and this Court, "an auxiliary function [of USPTO proceedings] is to free the court from any need to consider prior art without the benefit of the [USPTO]'s consideration." *Norman IP Holdings, LLC v. TP-Link Techs., Co.,* No. 6:13-cv-384, 2014 WL 5035718, at *2 (E.D. Tex. Oct. 8 2014) (quoting *In re Etter,* 756 F.2d 852, 857 (Fed. Cir. 1985)). The USPTO's consideration of Cox will be, at a minimum, informative to the likely defenses in this case. "Staying this case has the potential to simplify the issues before the

Court," and potentially, resolve the issues altogether. *Customedia Techs.,* 2017 WL 3836123, at *2. "[A] stay has the potential to decrease the burdens on the Court and the parties, and any potential costs, delay, or prejudice resulting from postponing the resolution of the case are outweighed by the benefits of a stay." *Id.*

IV. CONCLUSION

For the foregoing reasons, Tesla submits that good cause exists for staying all claims and issues pending the outcome of all IPR proceedings.

Dated: October 14, 2025

Respectfully submitted,

/s/ Roger Fulghum

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system on October 14, 2025.

/s/ Roger Fulghum

CERTIFICATE OF CONFERENCE

Pursuant to Local Rule CV-7(h) and (i), I certify that on October 13, 2025, counsel for Tesla conferred with Counsel for Plaintiff, who stated Plaintiff opposes the foregoing motion.

/s/ Roger Fulghum