

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No.	CV 26-2270 PA (SPx)	Date	July 7, 2026
Title	Dolby Laboratories, Inc., et al. v. InterDigital, Inc., et al.		

Present: The Honorable		PERCY ANDERSON, UNITED STATES DISTRICT JUDGE	
Kamilla Sali-Suleyman		N/A	
Deputy Clerk		Tape No.	
Attorneys Present for Plaintiff:		Attorneys Present for Defendants:	
None		None	

Proceedings: IN CHAMBERS - COURT ORDER

Before the Court is a Motion to Dismiss for Lack of Jurisdiction (“Motion”) filed by defendants InterDigital, Inc., InterDigital Madison Patent Holdings, SAS, and InterDigital VC Holdings, Inc. (collectively “InterDigital” or “Defendants”). (Docket No. 29.) Dolby Laboratories, Inc., Dolby Laboratories Licensing Corp., and Dolby International AB (collectively “Dolby” or “Plaintiffs”) oppose the Motion. The Motion is fully briefed. (Docket Nos. 37–39.) Pursuant to Rule 78 of the Federal Rules of Civil Procedure and Local Rule 7-15, the Court finds that this matter is appropriate for decision without oral argument. The June 15, 2026 hearing was previously vacated and removed from the Court’s calendar.

Defendants’ Motion presents two distinct issues: whether Article III jurisdiction exists, and, if so, whether this Court should nevertheless exercise jurisdiction under the Declaratory Judgment Act, 28 U.S.C. § 2201. The Court need not resolve the former issue. Assuming without deciding that an Article III controversy exists, the Court concludes that this action is an inappropriate vehicle for resolving disputes already being litigated in numerous previously filed district court and ITC proceedings. Exercising jurisdiction would promote duplicative litigation rather than the efficient resolution of those disputes.

I. Background

This declaratory judgment action arises out of a series of patent infringement actions that InterDigital previously filed against several of Dolby’s customers and licensees, including Amazon.com Services LLC (“Amazon”), TCL Industries Holdings Co., Ltd. and related entities (“TCL”), and Hisense Co., Ltd. and related entities (“Hisense”). Those actions are pending in multiple forums, including the United States District Courts for the District of Delaware, the Eastern District of Virginia, the Eastern District of Texas, and the Northern District of Georgia, as well as investigations before the International Trade Commission (“ITC”).

According to the Complaint, InterDigital’s infringement allegations against those customers focus, in part, on products and services that incorporate Dolby Vision, Dolby’s high

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dynamic range (“HDR”) video technology. Dolby alleges that InterDigital’s claim charts specifically identify Dolby Vision and that InterDigital’s patent enforcement efforts are directed principally at Dolby’s technology rather than its customers’ independent conduct. Dolby further alleges that InterDigital served a subpoena on Dolby during one of the ITC investigations seeking documents relating to Dolby Vision, including its source code. Based on these allegations, Dolby contends that it reasonably anticipates InterDigital may later assert claims for induced or contributory infringement directly against Dolby.

Relying on those circumstances, Dolby seeks declarations that its Dolby Vision technology does not infringe the patents at issue in the pending customer actions. Dolby contends that resolving those issues here would materially simplify, and potentially resolve, portions of the previously filed infringement proceedings. InterDigital disputes that contention and argues, among other things, that this Court should decline to exercise jurisdiction under the Declaratory Judgment Act under Wilton v. Seven Falls Co., 515 U.S. 277, 288 (1995), because the issues Dolby seeks to litigate are already encompassed within the earlier-filed district court and ITC proceedings.

II. Legal Standard

A. **Declaratory Judgment Act**

The Declaratory Judgment Act provides that a federal court “may declare the rights and other legal relations of any interested party seeking such declaration.” 28 U.S.C. § 2201(a). The statute “is an enabling Act, which confers a discretion on the courts rather than an absolute right upon the litigant.” Wilton, 515 U.S. at 287.

Accordingly, even where subject matter jurisdiction otherwise exists, district courts possess “unique and substantial discretion” in determining whether declaratory relief should be entertained. Id. at 286. The Federal Circuit has likewise recognized that district courts retain broad discretion in patent declaratory judgment actions and must determine whether entertaining the action would serve the purposes for which the Declaratory Judgment Act was enacted. Micron Tech., Inc. v. Mosaid Techs., Inc., 518 F.3d 897, 903 (Fed. Cir. 2008).

In the Ninth Circuit, courts consider the factors identified in Brillhart v. Excess Insurance Co. of America, 316 U.S. 491 (1942), and Government Employees Insurance Co. v. Dizol, 133 F.3d 1220 (9th Cir. 1998). Those factors include avoiding needless and duplicative litigation, discouraging forum shopping, procedural fencing, avoiding interference with parallel proceedings, promoting judicial economy, and determining whether declaratory relief would

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serve a useful purpose in clarifying and settling the legal relations at issue. These principles collectively guide the Court's exercise of discretion here.

III. Analysis

A. The Declaratory Judgment Act Does Not Favor Entertaining a Declaratory Action That Will Not Materially Resolve the Parties' Broader Dispute

"The purpose of the Declaratory Judgment Act . . . in patent cases is to provide the allegedly infringing party relief from uncertainty and delay regarding its legal rights." Micron, 518 F.3d at 902 (citation omitted). "A district court, when deciding whether to exercise its discretion, should decide whether hearing the case would 'serve the objectives for which the Declaratory Judgment Act was created.' " Id. "The reason for giving this discretion to the district court is to enable the court to make a reasoned judgment whether the investment of judicial time and resources in a declaratory action will prove worthwhile in resolving a justiciable dispute. Situations justifying exercise of the court's discretion to issue a declaratory judgment include: (1) when the judgment will serve a useful purpose in clarifying and settling the legal relations in issue, and (2) when it will terminate and afford relief from the uncertainty, insecurity, and controversy giving rise to the proceeding." Minnesota Min. & Mfg. Co. v. Norton Co., 929 F.2d 670, 672–73 (Fed. Cir. 1991) (citing Edward Borchard, Declaratory Judgments, 299 (2d ed. 1941)). A court should "decline to invest judicial time and resources in a declaratory action" that requests only piecemeal relief that does not resolve the disputes between the party in a worthwhile way. Takeda Pharm. Co. v. Mylan Inc., 62 F. Supp. 3d 1115, 1126 (N.D. Cal. 2014).

Dolby's contention that this action would resolve key issues in the related infringement actions, materially simplify those proceedings, or potentially dispose of them altogether is unpersuasive. The customer defendants do not use Dolby Vision in isolation; rather, they incorporate Dolby Vision into their own hardware and software systems. Moreover, InterDigital alleges infringement based not only on the use of Dolby Vision, but also on the use of other HDR technologies that are unrelated to Dolby Vision.

Significantly, Dolby Vision is implicated in only seven of the more than seventy asserted patent claims. Even as to those seven claims, InterDigital does not contend that Dolby Vision alone satisfies every claim limitation. Thus, the infringement allegations do not rest on the premise that Dolby Vision, standing by itself, practices each element of every asserted claim. As a result, a determination in this action regarding Dolby Vision would not have the broad preclusive or estoppel effect Dolby suggests.

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B. Exercising Declaratory Jurisdiction Would Produce Duplicative Litigation and Interfere with Previously Filed Proceedings.

As Dolby itself acknowledges, as it must, this action seeks declarations concerning patents, technologies, and infringement theories already implicated in those earlier filed proceedings. Whatever labels Dolby applies to its claims, the practical effect of this suit would be to consolidate or supersede portions of those existing customer actions in a forum of Dolby's choosing. The Court concludes that Declaratory Judgment Act was not intended to facilitate this type of collateral restructuring of pending patent litigation through a separate declaratory judgment action.

In this Court's judgment, the inefficiency concerns are not insubstantial. The customer actions and ITC investigations involve numerous patents, dozens of asserted claims, varied accused instrumentalities, and defendant-specific implementation issues extending well beyond the narrow subset of HDR theories and claims identified in Dolby's complaint. The proceedings also involve different accused products, different combinations of hardware and software, and distinct facts concerning Amazon, TCL, Hisense, and other entities. Accordingly, entertaining Dolby's action would not streamline the broader disputes; instead, it would create an overlapping layer of ancillary litigation requiring multiple courts in different forums to simultaneously resolve materially intertwined infringement and invalidity issues. Thus, entertaining this action would risk inconsistent rulings, unnecessarily expend judicial resources, and interfere with coordinated case management already underway in the previously filed actions.

C. Existing Procedural Mechanisms Provide Dolby With an Adequate Means of Protecting its Interests

The Federal Circuit's recent decision in Mitek Systems, Inc. v. United Services Automobile Association, 139 F.4th 1340, 1355 (Fed. Cir. 2025) reinforces this conclusion. There, the Federal Circuit affirmed a district court's discretionary refusal to entertain a software supplier's declaratory judgment action arising from infringement suits against its customers. The court specifically approved the district court's reasoning that intervention in the underlying customer actions constituted the "superior procedural mechanism" for protecting the supplier's interests. That same reasoning applies here. If Dolby believes its interests are implicated by the customer litigation, existing procedural mechanisms, including intervention, coordinated discovery, or direct participation, permit Dolby to protect those interests in the forums where the infringement actions are already pending. This Court is not persuaded that a separate declaratory action filed by Dolby in a different forum would simplify the controversy or provide a superior vehicle for resolving these disputes.

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D. The Brillhart Factors Weigh Against Exercising Declaratory Judgment Jurisdiction

Moreover, the structure and timing of Dolby's complaint reflect many of the procedural-fencing concerns identified in Brillhart. The customer and ITC proceedings were filed first before Dolby filed this action. Rather than participate directly in those existing cases, Dolby filed this collateral declaratory action aimed only at a subset of the patents and claims within the broader infringement disputes. The Court agrees with Defendants that the practical effect of this suit is an attempt to shift adjudication of overlapping issues from the courts already presiding over them. Declaratory jurisdiction should not be exercised where doing so would encourage anticipatory litigation tactics or forum-driven splintering of pending disputes.

The customer suit doctrine also supports dismissal of this action. Although that doctrine sometimes favors prioritizing litigation involving the manufacturer or supplier where doing so would efficiently resolve broader disputes, it does not compel a district court to entertain a supplier driven declaratory relief action. Rather, the doctrine is fundamentally rooted in considerations of efficiency and practical case management. Here, those considerations weigh against exercising jurisdiction. The underlying cases involve customer-specific products and implementations, and Dolby has not shown that adjudication of its declaratory relief action alone would dispose of the broader infringement controversies pending in the other courts and before the ITC. On the contrary, parallel litigation here would likely complicate rather than simplify the resolution of those disputes.

Parallel ITC investigations further reinforce the inefficiencies associated with entertaining this action. The discretionary abstention principles recognized in Brillhart and Wilton counsel against exercising declaratory judgment jurisdiction where doing so would entangle the court in issues simultaneously being litigated in multiple district courts and parallel administrative proceedings, thereby substantially increasing the risk of duplicative litigation, inconsistent rulings, and interference with the orderly and comprehensive resolution of the broader dispute. See Brillhart, 316 U.S. at 495; Wilton, 515 U.S. at 283; Dizol, 133 F.3d at 1225 n.5; Micron, 518 F.3d at 904–05.

E. Declaratory Relief Would Not Serve a Useful Clarifying Purpose

Nor is the Court persuaded that declaratory relief would serve a useful clarifying purpose under the circumstances. The underlying infringement cases already provide comprehensive procedural vehicles through which the relevant patent disputes may be litigated. The existence of those pending cases substantially diminishes whatever utility this separate declaratory action might otherwise provide. The Court therefore concludes that the requested declaratory relief

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No. CV 26-2270 PA (SPx)

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would not “settle all aspects of the controversy,” but instead would generate duplicative and piecemeal litigation.

Conclusion

Considering the totality of the Brillhart and Wilton factors, including the existence of numerous previously filed proceedings, the limited overlap between Dolby Vision and the asserted infringement theories, the availability of alternative procedural mechanisms, and the substantial risk of duplicative litigation, the Court concludes that this action is not an appropriate exercise of declaratory judgment jurisdiction. Assuming without deciding that Article III jurisdiction exists, the Court therefore declines to exercise jurisdiction under the Declaratory Judgment Act. The Court will enter a judgment consistent with this order.

IT IS SO ORDERED.