

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No.	CV 26-2270 PA (SPx)	Date	September 14, 2026
Title	Dolby Laboratories, Inc., et al. v. Interdigital, Inc., et al.		

Present: The Honorable	PERCY ANDERSON, UNITED STATES DISTRICT JUDGE
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Kamilla Sali-Suleyman

N/A

N/A

Deputy Clerk

Court Reporter

Tape No.

Attorneys Present for Plaintiff:

Attorneys Present for Defendants:

None

None

Proceedings: IN CHAMBERS - COURT ORDER

On July 7, 2026, the Court granted a Motion to Dismiss for Lack of Jurisdiction (“Motion to Dismiss”) filed by defendants InterDigital, Inc., InterDigital Madison Patent Holdings, SAS, and InterDigital VC Holdings, Inc. (collectively, “InterDigital” or “Defendants”). (Docket No. 43.) In granting the Motion to Dismiss, the Court concluded that it should not exercise its discretionary authority under the Declaratory Judgment Act to resolve the noninfringement declaratory relief claims asserted by plaintiffs Dolby Laboratories, Inc., Dolby Laboratories Licensing Corp., and Dolby International AB (collectively, “Dolby” or “Plaintiffs”) because doing so would promote duplicative litigation rather than the efficient resolution of disputes already being litigated in numerous district court and ITC infringement proceedings.

On July 22, 2026, Dolby filed a Motion for Reconsideration. (Docket No. 49.) Dolby seeks reconsideration only as to U.S. Patent Nos. 8,149,338 (the “’338 patent”) and 10,741,211 (the “’211 patent”). The Motion is fully briefed. (Docket Nos. 50, 51.) 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 August 24, 2026 hearing on the Motion is therefore vacated and removed from the Court’s calendar.

“A ‘motion for reconsideration’ is treated as a motion to alter or amend judgment under Federal Rule of Civil Procedure Rule 59(e) if it is filed within [the time period permitted by the Rule]. Otherwise, it is treated as a Rule 60(b) motion for relief from a judgment or order.” Am. Ironworks & Erectors, Inc. v. N. Am. Constr. Corp., 248 F.3d 892, 898–99 (9th Cir. 2001) (citation omitted). Under Federal Rule of Civil Procedure 59(e), a party may move to have the Court amend its judgment within twenty-eight days after entry of the judgment. “Since specific grounds for a motion to amend or alter are not listed in the rule, the district court enjoys considerable discretion in granting or denying the motion.” Allstate Ins. Co. v. Herron, 634 F.3d 1101, 1111 (9th Cir. 2011) (quoting McDowell v. Calderon, 197 F.3d 1253, 1255 n.1 (9th Cir. 1999) (*en banc*) (*per curiam*)).

“In general, there are four basic grounds upon which a Rule 59(e) motion may be granted: (1) if such motion is necessary to correct manifest errors of law or fact upon which the judgment rests; (2) if such motion is necessary to present newly discovered or previously unavailable evidence; (3) if such

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motion is necessary to prevent manifest injustice; or (4) if the amendment is justified by an intervening change in controlling law.” Id. (citing McDowell, 197 F.3d at 1255 n.1).

Rule 60(b) allows the Court to relieve a party from a final judgment or order for the following reasons: “(1) mistake, inadvertence, surprise, or excusable neglect; (2) newly discovered evidence that, with reasonable diligence, could not have been discovered in time to move for a new trial under Rule 59(b); (3) fraud (whether previously called intrinsic or extrinsic), misrepresentation, or misconduct by an opposing party; (4) the judgment is void; (5) the judgment has been satisfied, released, or discharged; it is based on an earlier judgment that has been reversed or vacated; or applying it prospectively is no longer equitable; or (6) any other reason that justifies relief.” Fed. R. Civ. P. 60(b).

Whether brought pursuant to Federal Rule of Civil Procedure 59(e) or 60(b), reconsideration is an “extraordinary remedy, to be used sparingly in the interests of finality and conservation of judicial resources.” Kona Enters., Inc. v. Estate of Bishop, 229 F.3d 877, 890 (9th Cir. 2000) (internal quotation marks omitted). Additionally, under Local Rule 7-18, a motion for reconsideration may only be brought if the moving party demonstrates:

(a) a material difference in fact or law from that presented to the Court before such decision that in the exercise of reasonable diligence could not have been known to the party moving for reconsideration at the time of such decision, or (b) the emergence of new material facts or a change of law occurring after the time of such decision, or (c) a manifest showing of a failure to consider material facts presented to the Court before such decision.

Local Rule 7-18. The Rule also provides that “[n]o motion for reconsideration may in any manner repeat any oral or written argument made in support of, or in opposition to, the original motion.” Id.

Dolby contends that reconsideration is warranted because material facts arose after the Court’s July 7, 2026 Order, because the Court failed to consider material facts concerning InterDigital’s infringement contentions, and because the Court committed clear errors in applying the Declaratory Judgment Act. Specifically, Dolby points to the subsequent stays and termination of the Amazon proceedings concerning the ’338 and ’211 patents. Dolby argues that those developments eliminated the procedural mechanisms that the Court identified in its Order as providing Dolby an adequate means to protect its interests. Dolby also argues that InterDigital’s infringement charts accuse Dolby Vision of satisfying every limitation of the asserted claims of the ’338 and ’211 patents, contrary to a statement in the Court’s Order. Finally, Dolby argues that the Court should reconsider its conclusion that exercising jurisdiction would promote piecemeal and inefficient litigation and that a declaratory judgment action of this nature is inconsistent with the purpose of the Declaratory Judgment Act.

The Court has carefully considered these arguments and the Opposition and Reply submitted in connection with the Motion. Although the Court agrees that certain events concerning the Amazon proceedings occurred after the Court entered its Order, those events do not materially alter the

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considerations that led the Court to decline to exercise its discretionary declaratory judgment jurisdiction. Nor has Dolby demonstrated a manifest failure to consider material facts or a clear error of law or fact requiring alteration of the Judgment.

First, Dolby is correct that the Amazon proceedings concerning the '338 and '211 patents were stayed or terminated after the Court entered its Order. On July 9, 2026, the Amazon EDVA Action concerning the '338 patent was stayed, and the Amazon DE Action concerning the '211 patent was stayed. On July 13, 2026, InterDigital and Amazon jointly moved to terminate the Amazon ITC Action, which also concerned the '211 patent, and on July 17, 2026, the ITC entered an initial determination granting that request. These events therefore constitute post-Order developments that the Court may consider under Local Rule 7-18(b).

Those developments, however, do not warrant reconsideration. The Court's prior decision was not based on a representation or finding that Dolby was guaranteed an opportunity to intervene in a particular Amazon proceeding. Rather, the Court considered the existence of ongoing customer litigation and the procedural mechanisms available in those proceedings as part of its broader determination that adjudicating Dolby's declaratory judgment claims separately would promote duplicative litigation rather than the efficient resolution of the disputes already being litigated among the parties and their customers. The Court's prior analysis therefore did not depend exclusively upon the continued availability of a particular intervention procedure.

Moreover, the post-Order developments did not eliminate the broader dispute that informed the Court's discretionary analysis. Instead, InterDigital and Amazon agreed to resolve their broader disputes through arbitration. As InterDigital explains, that arbitration encompasses a substantially broader licensing dispute involving numerous patents, technologies, and proceedings. The fact that the Amazon district court and ITC proceedings have been stayed or terminated in favor of arbitration does not establish that a separate action concerning two patents would now provide a more efficient mechanism for resolving the parties' disputes. To the contrary, allowing Dolby to proceed with a separate action concerning a small portion of the broader InterDigital-Amazon dispute could fragment the resolution of that dispute and potentially interfere with the parties' chosen mechanism for resolving it.

Nor has Dolby demonstrated that the fact that the arbitration may not itself adjudicate whether Dolby Vision infringes the '338 and '211 patents eliminates the Court's efficiency concerns. The Court did not decline jurisdiction because another tribunal was certain to enter a judgment resolving every issue presented in Dolby's proposed action. Rather, the Court concluded that the broader disputes involving the same patents, accused technologies, customers, and related infringement theories should not be fragmented through a separate declaratory judgment action. The Amazon arbitration is now the mechanism through which InterDigital and Amazon have elected to resolve their broader dispute. Dolby has not shown that proceeding separately with this action would result in a more efficient or comprehensive resolution of those disputes.

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Second, Dolby has not demonstrated that the Court committed a manifest error in considering the scope of InterDigital's infringement allegations. Dolby points to InterDigital's infringement charts and argues that those charts map Dolby Vision to every limitation of particular asserted claims of the '338 and '211 patents. The Court recognizes that the infringement charts identify Dolby Vision and rely upon Dolby-related materials in addressing the asserted claim limitations.

That circumstance, however, does not establish that the Court's discretionary analysis was clearly erroneous. The underlying customer litigation involved multiple patents, claims, accused products, and technologies. As InterDigital explains, Dolby Vision was one of several accused products for which infringement contentions were separately provided. The fact that InterDigital's infringement contentions concerning particular claims may rely upon Dolby Vision does not establish that a judgment concerning Dolby Vision would resolve the broader infringement disputes involving the additional patents, products, and infringement theories at issue in the customer litigation.

Accordingly, even assuming that InterDigital's infringement contentions accuse Dolby Vision of satisfying every limitation of particular asserted claims of the '338 and '211 patents, that fact does not alter the Court's conclusion that adjudicating Dolby's claims here would resolve only a portion of the broader disputes that informed the Court's decision to decline jurisdiction. The Court therefore rejects Dolby's contention that this factual issue demonstrates a manifest failure to consider material facts or a clear error of fact warranting reconsideration.

Nor do the Federal Circuit authorities cited by Dolby require a different result. Decisions such as Microsoft Corp. v. DataTern, Inc., 755 F.3d 899 (Fed. Cir. 2014), and Arris Group, Inc. v. British Telecommunications PLC, 639 F.3d 1368 (Fed. Cir. 2011), address circumstances in which infringement allegations against a customer can establish a substantial controversy concerning the manufacturer's technology. Those authorities do not require a district court to exercise its discretionary declaratory judgment jurisdiction whenever a customer-suit infringement chart identifies the manufacturer's product. The existence of an Article III controversy and the separate question whether the Court should exercise its discretionary jurisdiction under the Declaratory Judgment Act are distinct inquiries.

Third, Dolby has not demonstrated that the Court applied an impermissibly narrow conception of the Declaratory Judgment Act. Dolby relies on authorities recognizing that a manufacturer may have a substantial interest in obtaining a declaration concerning its own technology when its customers have been accused of infringement. The Court does not disagree with that general proposition. The Declaratory Judgment Act can provide an appropriate mechanism for resolving uncertainty concerning a manufacturer's technology.

The issue before the Court, however, is not whether a declaratory judgment action concerning a manufacturer's technology is categorically permissible. The issue is whether, under the particular circumstances presented here, the Court should exercise its discretionary jurisdiction. The Court previously concluded that it should not because the proposed action would fragment a broader dispute involving multiple parties, patents, products, and proceedings and would promote duplicative litigation

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rather than efficient resolution of those disputes. Dolby's disagreement with that discretionary assessment does not establish clear error.

The fact that Dolby now seeks to limit this action to the '338 and '211 patents does not change that conclusion. The proposed limitation is not a newly discovered fact. It is a modification of the relief Dolby seeks. Moreover, narrowing the action does not eliminate the relationship between these patents and the broader InterDigital-Amazon dispute or the arbitration through which InterDigital and Amazon are now seeking to resolve that dispute. The Court therefore does not find that Dolby's proposed narrowing materially changes the circumstances that supported the original discretionary determination.

Fourth, the Court is not persuaded that the subsequent arbitration establishes that Dolby's alleged controversy must now be adjudicated here. InterDigital contends that the arbitration eliminates the direct-infringement allegations against Amazon that formed part of the factual basis for Dolby's asserted apprehension of indirect infringement. Dolby responds that the arbitration does not itself adjudicate infringement of Dolby Vision and does not resolve any indemnity obligation that Dolby may owe Amazon.

The Court need not resolve the parties' competing positions concerning the continued existence of an Article III controversy. In its original Order, the Court assumed without deciding that an Article III controversy existed and declined to exercise jurisdiction as a matter of discretion. Even assuming that an Article III controversy continues to exist, Dolby has not demonstrated that the subsequent developments materially undermine the Court's discretionary determination that exercising jurisdiction would be inappropriate. The Court therefore declines to revisit the Article III issue in resolving this Motion.

Similarly, Dolby's reliance on its inter partes review petition concerning the '211 patent does not independently establish a basis for reconsideration. An inter partes review proceeding concerns patent validity rather than infringement, and therefore is not itself an alternative forum for adjudicating the precise noninfringement relief Dolby seeks. The IPR nevertheless forms part of the broader procedural landscape and further demonstrates that proceedings concerning the '211 patent remain pending in another forum. In any event, the Court does not rely on the IPR as an alternative forum capable of resolving Dolby's declaratory claims, and the IPR does not affect the Court's conclusion that Dolby has failed to demonstrate grounds for reconsideration.

Finally, Dolby's remaining arguments largely repeat arguments that were or could have been presented in connection with the Motion to Dismiss. Local Rule 7-18 does not permit a party to use a motion for reconsideration to obtain a second opportunity to present arguments that the Court has already considered. Dolby's arguments concerning indemnity, the relative interests of a manufacturer and its customers, the purported superiority of a manufacturer declaratory judgment action, and the general purpose of the Declaratory Judgment Act do not identify a material change in controlling law, a manifest failure to consider material facts, or a clear error that warrants reconsideration.

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The Court therefore concludes that, although the post-Order stays and termination of the Amazon proceedings constitute changed circumstances within the meaning of Local Rule 7-18(b), Dolby has not demonstrated that those developments materially undermine the Court's prior discretionary determination. Nor has Dolby demonstrated a manifest failure to consider material facts or a clear error of law or fact. The subsequent arbitration does not eliminate the efficiency and duplication concerns that supported the Court's original decision. And even assuming that InterDigital's infringement contentions accuse Dolby Vision of satisfying every limitation of particular claims of the '338 and '211 patents, that circumstance does not establish that adjudicating Dolby's claims here would resolve the broader multi-party and multi-patent disputes that informed the Court's discretionary determination.

Accordingly, Dolby has failed to meet the extremely high burden required for reconsideration.

For the foregoing reasons, Dolby's Motion for Reconsideration (Docket No. 49) is DENIED.

IT IS SO ORDERED.