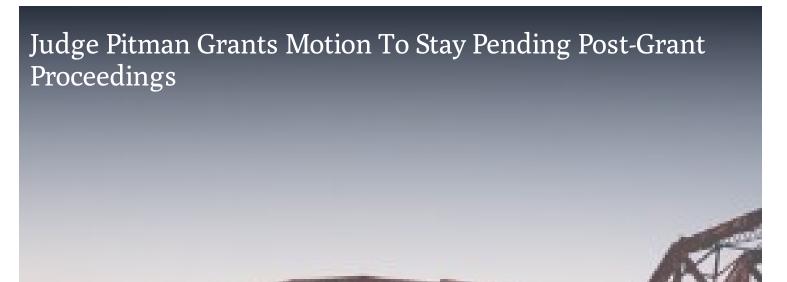


BLOG



MAY 1, 2024

Defendants Bayerische Motoren Werke (BMW) and Robert Bosch GmbH (Bosch) (collectively, defendants) filed an opposed motion to stay the district court litigation pending *ex parte* reexamination of all asserted claims of the U.S. Patent No. 7,502,958 (the '958 Patent) and *inter partes* review of 10 out of the 25 claims of the '958 Patent. On April 22, 2024, Judge Pitman granted defendants' opposed motion.

Plaintiff Foras Technologies Ltd. filed suit against BMW and Bosch on May 19, 2023, alleging infringement of the '958 Patent, which claims systems and methods for addressing silent data corruption. Non-party Unified Patents requested *ex parte* reexamination of all asserted claims of the '958 Patent on September 1, 2023. On November 29, 2023, the USPTO granted the request, and on March 19, 2024, a Non-Final Office Action rejecting all claims of the '958 Patent was issued. Defendants filed a petition for *inter partes* review on September 8, 2023, on 10 of the asserted claims of the '958 Patent, which the Patent Trial and Appeal Board instituted on March 20, 2024.

Judge Pitman examined three factors to determine whether to stay the case pending the post-grant proceedings: (1) whether a stay would simplify the issues raised; (2) whether a stay would unduly prejudice or present a clear tactical disadvantage to the nonmoving party; and (3) the status of the litigation at the time the stay was requested.

- Simplification of Issues The court found that a stay may simplify the issues because every claim of the lone asserted patent was under review through the combined proceedings. The court noted that all 25 asserted claims were already rejected in the ex parte reexamination and that a forthcoming final decision could cancel all claims, ending the litigation. The court further noted that continuing the litigation with the post-grant proceedings ongoing would be an inefficient use of the Court's and the parties' resources.
- Stage of Proceedings The court found that the early stage of litigation favored a stay, noting that neither discovery nor claim construction briefing had yet begun. The court noted that the post-grant proceedings could negate the need for or greatly simplify the resolution of those litigation milestones.
- **Undue Prejudice** The court found that the potential for the post-grant proceedings to simplify the issues outweighed the prejudice to plaintiff, noting that plaintiff Foras does not produce products nor compete with defendants and that mere delay in collecting monetary damages does not constitute undue prejudice. The court further noted that vague assertions about the loss of evidence and witnesses are not sufficient to find undue prejudice.

For these reasons, Judge Pitman granted the stay.

This approach can be contrasted with <u>Judge Albright's denial of a stay pending ex parte reexamination</u> where the parties were competitors, a *Markman* order had been entered, and fact discovery had concluded, even though, like here, the defendant was not bound by the *ex parte* reexamination.

2 Min Read

Authors

Dustin Edwards

Danielle Williams

Tyler Boyce

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