

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 SOUTHERN DIVISION

11
12
13 **BOSTON SCIENTIFIC CORP., ET**
14 **AL.,**

15 **Plaintiffs,**

16 **v.**

17
18 **EDWARDS LIFESCIENCES CORP.,**

19 **Defendant.**
20

} **Case No.: SACV 16-00730-CJC(GJSx)**

} **ORDER GRANTING DEFENDANT'S**
} **MOTION TO STAY CASE PENDING**
} **INTER PARTES REVIEW**

21
22 **I. INTRODUCTION AND BACKGROUND**
23

24 Plaintiffs Boston Scientific Corporation and Boston Scientific Scimed, Inc.
25 (together, "Boston"), initiated this action against Defendant Edwards Lifesciences
26 Corporation ("Edwards") on April 19, 2016, alleging patent infringement of the
27 following patents: (1) U.S. Patent No. 8,709,062 ("the '062 Patent"); (2) U.S. Patent No.
28 6,203,558 ("the '558 Patent"); (3) U.S. Patent No. 6,371,962 ("the '962 Patent"); (4) U.S.

1 Patent No. 7,749,234 (“the ‘234 Patent”); (5) U.S. Patent No. 7,828,767 (“the ‘767
2 Patent”); (6) U.S. Patent No. 6,007,543 (“the ‘543 Patent”); (7) U.S. Patent No.
3 6,712,827 (“the ‘827 Patent”); and (8) U.S. Patent No. 6,915,560 (“the ‘560 Patent”).

4 These eight patents protect certain products used in Boston’s transcatheter aortic valve
5 implantation (TAVI) device. (Dkt. 64 [Defendant’s Memorandum in Support of Motion
6 to Stay, hereinafter “Def.’s Mem.”] at 2–3.) A TAVI device is a medical device that can
7 deliver a replacement heart valve into a patient without open heart surgery. (*Id.*)
8 Edwards brought counterclaims against Boston seeking, *inter alia*, a declaration that the
9 patents at issue are invalid. (Dkt. 49.)

10
11 Edwards has filed petitions for *inter partes* review (“IPR”) of the eight patents at
12 issue here. An IPR is an expedited proceeding for review of patent claims by the United
13 States Patent and Trademark Office (“PTO”). *See* 35 U.S.C. §§ 311 *et seq.* Anyone who
14 is not the patent owner may petition for IPR to cancel one or more claims of a patent. *Id.*
15 § 311(b). If the PTO decides to grant a petition, the PTO begins, or “institutes,” IPR of
16 the patent. *Id.* § 311(a). Once a petition is instituted, the PTO must conclude IPR within
17 one year, with a possible six-month extension for good cause. *Id.* § 316(a)(11).

18
19 On June 29, 2017, the PTO instituted IPR on one of the eight patents that Edwards
20 is alleged to have infringed in this lawsuit. (Def.’s Mem. at 5.) The PTO will decide
21 whether to institute on the remaining seven patents by November 9, 2017. (*Id.* at 6–7.)

22
23 Before the Court is Edwards’ motion to stay this case pending the PTO’s IPR
24 determinations. (Dkt. 63.) For the following reasons, the motion is GRANTED.¹

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26
27
28 ¹ Having read and considered the papers presented by the parties, the Court finds this matter appropriate
for disposition without a hearing. *See* Fed. R. Civ. P. 78; Local Rule 7-15. Accordingly, the hearing set
for September 11, 2017 at 1:30 p.m. is hereby vacated and off calendar.

1 **II. LEGAL STANDARD**

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3 District courts have the inherent power to manage their dockets and stay
4 proceedings. *Landis v. N. Am. Co.*, 299 U.S. 248, 254–55 (1936). This inherent power
5 includes “the authority to order a stay pending conclusion of a PTO reexamination.”
6 *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988). The party seeking a stay
7 bears the burden of showing that a stay is warranted. *Landis*, 299 U.S. at 255.

8
9 In determining whether a stay pending patent reexamination is appropriate, courts
10 generally consider three factors: “(1) whether discovery is complete and whether a trial
11 date has been set; (2) whether a stay will simplify the issues in question and trial of the
12 case; and (3) whether a stay would unduly prejudice or present a clear tactical
13 disadvantage to the nonmoving party.” *Universal Elecs., Inc. v. Universal Remote*
14 *Control, Inc.*, 943 F. Supp. 2d 1028, 1030–31 (C.D. Cal. 2013). Ultimately, however,
15 “the totality of the circumstances governs.” *Id.* at 1031.

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17 **III. DISCUSSION**

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19 The Court finds that a stay in this case is warranted under the totality of the
20 circumstances. The first factor weighs in favor of a stay because the Court has not yet
21 expended substantial time and effort preparing for trial in this case. *Universal Elecs.,*
22 *Inc.*, 943 F. Supp. 2d at 1031 (“The Court’s expenditure of resources is an important
23 factor in evaluating the stage of the proceedings.”). While a trial date has been set and
24 this case has been pending for seventeen months, the parties have only filed one
25 dispositive motion: an unopposed motion to dismiss. (Dkts. 31, 33, 34.) The Court has
26 not otherwise engaged with the substantive merits of the case, such as deciding on a
27 motion for summary judgment or construing the patent claims at issue. While discovery
28 has been underway for several months, it is not expected to be complete until late

1 February 2018, which is over five months from now. (Dkt. 44 [Order Granting
2 Stipulation on Scheduling Deadlines].) Given the significant amount of time and
3 resources the parties and the Court are expected to spend from now until trial, a stay at
4 this stage is appropriate. *Pragmatus AV, LLC v. Facebook, Inc.*, No. 11-CV-02168-EJD,
5 2011 WL 4802958, at *3 (N.D. Cal. Oct. 11, 2011) (“When, as here, there has been no
6 *material* progress in the litigation, courts in this district strongly favor granting stays
7 pending *inter partes* reexamination.”) (emphasis added).

8
9 The second factor also weighs in favor of a stay. The PTO has already instituted
10 IPR of one of the patents at issue, and may institute review of the other seven patents. If
11 the PTO amends or invalidates any of these patents, the issues in this litigation must be
12 amended accordingly. Moving forward with litigation and trial before the PTO issues its
13 decisions risks the parties and the Court spending resources on issues that may ultimately
14 become moot. On the other hand, waiting for the PTO’s final determinations “could
15 eliminate the need for trial if the claims are cancelled or, if the claims survive, facilitate
16 trial by providing the court with expert opinion of the PTO and clarifying the scope of the
17 claims.” *Target Therapeutics, Inc. v. SciMed Life Sys., Inc.*, No. C-94-20775 RPA, 1995
18 WL 20470, at *2 (N.D. Cal. Jan. 13, 1995). Although it is not certain what the PTO will
19 do, the prudent course of action is to wait for the PTO’s determinations before
20 proceeding with additional discovery, motions, and trial.

21
22 Finally, a stay will not unduly prejudice Boston. The only form of prejudice
23 Boston claims it will experience is delay in reaching summary judgment and trial. (Dkt.
24 79 [Plaintiff’s Opposition, hereinafter “Opp.”] at 16.) But “[d]elay is a feature common
25 to all stayed cases, and mere delay in the litigation does not establish undue prejudice.”
26 *Aten Int’l Co., Ltd v. Emine Tech. Co.*, No. SACV09-0843AGMLGX, 2010 WL
27 1462110, at *7 (C.D. Cal. Apr. 12, 2010). Further, Boston is seeking only monetary
28 damages in this case, (Def.’s Mem. at 14), so it will be sufficiently compensated for any

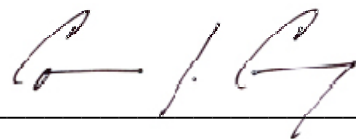
1 delay with monetary relief. *Evolutionary Intelligence, LLC v. LivingSocial, Inc.*, No. 13-
2 CV-04205-WHO, 2014 WL 213179, at *2 (N.D. Cal. Jan. 17, 2014).

3
4 Boston asserts that the Court should not reward Edwards' delay tactics by granting
5 a stay. (Opp. at 16–20.) But the Court does not see evidence of unreasonable or dilatory
6 tactics. Edwards filed its first IPR petition within two months of Boston serving its
7 infringement contentions, and ultimately filed a total of ten IPR petitions in eight months.
8 (Def.'s Mem. at 5.) Further, Edwards filed all of its IPR petitions within the one-year
9 statutory limit. (Dkt. 83 [Reply] at 8.) These facts do not support a finding of undue
10 prejudice. *SAGE Electrochromics, Inc. v. View, Inc.*, No. 12-CV-06441-JST, 2015 WL
11 66415, at *4 (N.D. Cal. Jan. 5, 2015) (finding no undue prejudice where defendants filed
12 IPR petitions within the statutory deadline and within six months of being served
13 plaintiff's infringement contentions.)

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15 **IV. CONCLUSION**

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17 For the foregoing reasons, Defendant's motion to stay this case pending patent
18 examination before the PTO is GRANTED. This action is STAYED. The parties are
19 DIRECTED to notify the Court regarding IPR status 125 days from the date of this
20 Order. The parties are also DIRECTED to notify the Court upon resolution of all the IPR
21 petitions at issue.

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24 DATED: September 8, 2017



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26 CORMAC J. CARNEY
27 UNITED STATES DISTRICT JUDGE
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