

novelty, is before a panel of three administrative patent judges, as part of the Patent Trial and Appeal Board (PTAB). 35 U.S.C. §§ 6, 316(c). NOV has three months, from the date of Omron's PTAB petition, to file a response, 37 C.F.R. § 42.107(b), and the PTAB in turn has three months after that to determine whether an *inter partes* review will proceed, 35 U.S.C. § 314(b). In other words, it will likely be five months before the Court or the parties even know if an *inter partes* review will actually occur here. If the PTAB grants review, by statute it must render a final determination within one year. *Id.* § 316(a)(11). The one-year period can be extended for a further sixth months upon a showing of good cause. *Id.* As such, there is a possibility the entire *inter partes* review process would take nearly two years. Even assuming the parties and the PTAB move expeditiously, the stay Omron seeks could easily last many months or a year, at least.

The parties have cited a variety of district court opinions, which in turn recite numerous helpful rationales for why, or why not, a stay should be granted.¹ However, the Court declines to issue a stay at this time. It would be a waste of judicial resources to stay the case now, when the matter is so close to issuance of a *Markman* order. *Cf. Landis v. N. Am. Co.*, 299 U.S. 248, 254 (1936) (“The 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.”). Other district courts have declined to grant stays premised on an *inter partes* review petition filed while the *Markman* process was ongoing. *Universal Elecs., Inc. v. Universal Remote Control, Inc.*, No. SACV 12–00329 AG, 2013 WL 1876459, at *1 (C.D. Cal. May 2, 2013).

¹Omron makes much of the fact NOV allegedly waited many years before filing this lawsuit, apparently in an effort to show NOV will not be prejudiced by a further stay. Regardless of the dubious merits of this argument, the Court finds a stay at this point might not simplify the issues for trial, because the PTAB could well decline review, and thus would be wasteful of judicial resources, given how close this matter is to a *Markman* order.

Furthermore, there is a real risk at this point the PTAB will decline to grant *inter partes* review, which would make a stay at this point a complete waste of time. Finally, the Court finds there is a danger of prejudice to NOV, because of the possibility no review will even occur. *See id.* at *2 (“Three significant factors in deciding whether to stay an action are: (1) whether discovery is complete and whether a trial date has been set; (2) whether a stay will simplify the issues in question and trial of the case; and (3) whether a stay would unduly prejudice or present a clear tactical disadvantage to the nonmoving party.”).

However, given other aspects of this case, such as non-*Markman* discovery, have not yet proceeded, a stay might be well-taken after a *Markman* order has issued. *See id.* Accordingly, the Court will dismiss Omron’s motion without prejudice. The Court will entertain a renewed motion to stay after a *Markman* order is issued, and after the PTAB grants *inter partes* review, should it do so.

Accordingly,

IT IS ORDERED that Defendant Omron Oilfield & Marine, Inc.’s Motion to Stay Pending *Inter Partes* Review [#35] is DISMISSED WITHOUT PREJUDICE to re-urging after a *Markman* order is entered in this case, contingent upon a granting of *inter partes* review by the Patent Trial and Appeal Board.

SIGNED this the 7th day of June 2013.



SAM SPARKS
UNITED STATES DISTRICT JUDGE