

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

FMC CORPORATION,)	
)	
Plaintiff,)	
)	
v.)	Civil Action No. 14-51-LPS
)	
SUMMIT AGRO USA, LLC and)	
SUMMIT AGRO NORTH AMERICA)	
HOLDING CORPORATION,)	
)	
Defendants.)	

MEMORANDUM ORDER

Presently before the Court is a motion to stay the above-referenced case as to Counts II-IV of the Complaint (“Motion to Stay” or “Motion”), filed by Defendants Summit Agro USA, LLC (“Summit USA”) and Summit Agro North America Holding Corporation (“Summit Holding,” and collectively with Summit USA, “Defendants” or “Summit Agro”). The Motion seeks a stay of the remaining portion of the instant proceeding that is not already stayed, up through the conclusion of a currently pending International Trade Commission (“ITC”) investigation involving U.S. Patent No. 7,169,952 (“the '952 Patent”). (D.I. 83) For the reasons set out below, the Motion to Stay is DENIED.

I. BACKGROUND

A. Factual Background

Plaintiff FMC Corporation (“FMC”) is in the business of developing, manufacturing, marketing and distributing a variety of products in the United States for agricultural applications (such as use on food and feed crops for human and animal consumption) and for non-agricultural

applications (such as use on ornamental plants, turf and golf courses). (D.I. 1 at ¶ 2) Among these are products containing sulfentrazone, a herbicidal active ingredient useful for controlling certain weeds in various agricultural crops and in non-crops. (*Id.* at ¶¶ 9-10) Among the many sulfentrazone-containing products that FMC sells for ultimate use by farmers and others are herbicides, such as those among FMC's Spartan® branded products and Authority® branded products. (*Id.* at ¶¶ 13-15) FMC is also the owner by assignment of the '952 patent, which relates to a process for manufacturing sulfentrazone. (*Id.* at ¶¶ 11-12)

Defendants are engaged in the design, manufacture, importation and sale in the United States of agricultural products. (*Id.* at ¶ 5) Among these is the Blanket® 4F herbicide ("Blanket 4F"), which contains sulfentrazone as its active ingredient, and which is used in large agricultural applications. (*Id.* at ¶ 20)

FMC's and Summit Agro's products are part of the same field of herbicides and are both made "for large agricultural applications, including use on food and feed crops for human and animal consumption." (*Id.* at ¶¶ 13-14, 20) Summit Agro's Blanket 4F product was first sold in the United States in August 2013, having been shipped and sold for the fall 2013 growing season to Summit Agro's only customer, Tenkoz, Inc. ("Tenkoz"), a third-party distributor. (D.I. 72 at ¶ 9; D.I. 84 at 3) Tenkoz, in turn, supplies the product to retailers, who in turn supply to end-use farmers. (D.I. 72 at ¶ 6; D.I. 84 at 3)

B. Procedural Background

On January 16, 2014, FMC filed its Complaint in this Court against Defendants, relating to Summit Agro's sulfentrazone-containing herbicide products (including Blanket 4F). (D.I. 1) The four-Count Complaint included an allegation of infringement of the '952 patent (Count I); a

“false designation of origin” claim under the Lanham Act (Count II); a state law deceptive trade practices claim (Count III); and a common law unfair competition claim (Count IV). Counts II, III, and IV are all based on FMC’s allegation that when Defendants’ Blanket 4F product was sold and shipped in 2013, it did not contain a label designating China as the country of origin of the sulfentrazone. (*Id.* at ¶¶ 42-67)

On March 5, 2014, FMC filed a complaint with the ITC, alleging, *inter alia*, Defendants’ infringement of the '952 patent relating to the process for manufacturing sulfentrazone. (D.I. 84 at 1 & exs. A-C) FMC accompanied its ITC complaint with a Motion for Temporary Relief, in which it sought to enjoin Summit Agro from importing sulfentrazone into the United States and from engaging in any commercial activity pertaining to sulfentrazone-containing products. (*Id.*) Within a week thereafter, FMC filed a motion for preliminary injunction in this Court, (D.I. 16), and Defendants filed a motion seeking dismissal of, *inter alia*, Counts II-IV of the Complaint in this Court, (D.I. 27).

On April 9, 2014, the ITC instituted an investigation. (D.I. 52) Thereafter, and pursuant to 28 U.S.C. § 1659 (“Section 1659”), the parties stipulated to a stay of the patent infringement portion of this case (Count I); the District Court subsequently entered that stipulation. (D.I. 52; D.I. 84 at 1)

In the ITC matter, the Administrative Law Judge (“ALJ”) thereafter set important dates regarding the schedule of the investigation. These orders: (1) required that all fact discovery and expert reports regarding the Motion for Temporary Relief were to be completed and/or submitted by June 2014, and a hearing was to be held on the motion from July 1-3, 2014; (2) a hearing on the merits and permanent relief issues was scheduled for February 2-6, 2015, with an initial

determination on those issues due April 10, 2015; and (3) the target date for the completion of the ITC investigation was to be August 10, 2015. (D.I. 84 at 1-2 & exs. A-C)

Meanwhile, in the instant case, the parties litigated and the District Court resolved a dispute regarding the scope of discovery to be undertaken prior to a hearing on the preliminary injunction motion. (D.I. 56-60, 65)¹ Other than this limited discovery as to the preliminary injunction motion, no other discovery has commenced in this case, (D.I. 84 at 4), although a significant record has been generated and lodged with the Court regarding the preliminary injunction motion. No Scheduling Order has yet been entered in this case, a scheduling conference pursuant to Federal Rule of Civil Procedure 16 has not been held, and a trial date has not yet been set. (*Id.*)

Defendants filed the instant Motion to Stay on May 22, 2014. (D.I. 83) The District Court subsequently referred that Motion (as well as the preliminary injunction motion and the motion to dismiss) to the Court for resolution. (D.I. 82, 90) The Court held oral argument on all pending motions, including the Motion to Stay, on July 9, 2014.

II. STANDARD OF REVIEW

A court has discretionary authority to grant a motion to stay. *See Cost Bros., Inc. v. Travelers Indem. Co.*, 760 F.2d 58, 60 (3d Cir. 1985). This Court has typically considered three factors when deciding a motion to stay: (1) whether granting the stay will simplify the issues for

¹ The preliminary injunction motion sought relief relating to both the patent infringement claim in Count I and the Lanham Act claim in Count II. (D.I. 16) Thus, even in light of the mandatory stay of Count I in this Court, the preliminary injunction motion is live and pending resolution as to the relief sought relating to Count II. Defendants have agreed that their request for a stay as to Counts II-IV does not relate to resolution of the preliminary injunction motion; they concede that the Court should resolve that motion, but argue that a stay should be in place as to Counts II-IV thereafter. (D.I. 94 at 5)

trial; (2) the status of the litigation, particularly whether discovery is complete and a trial date has been set; and (3) whether a stay would cause the non-movant to suffer undue prejudice from any delay, or allow the movant to gain a clear tactical advantage. *See, e.g., Softview LLC v. Apple Inc.*, Civ. No. 10-389-LPS, 2012 WL 3061027, at *2 (D. Del. July 26, 2012); *Cooper Notification, Inc. v. Twitter, Inc.*, Civ. No. 09-865-LPS, 2010 WL 5149351, at *1 (D. Del. Dec. 13, 2010). These factors are discussed in greater detail below.

III. DISCUSSION

A. Simplification of Issues for Trial

When considering a motion to stay, courts first consider whether a stay will “simplify the issues [in question] and trial of this case.” *Graphic Props. Holdings, Inc. v. Toshiba Am. Info., Sys., Inc.*, C.A. No. 12-213-LPS, 2014 WL 923314, at *2 (D. Del. Mar. 5, 2014). For the following reasons, the Court concludes that a stay of Counts II-IV would not simplify proceedings here.

One important consideration is that proceedings regarding the only claim of patent infringement in this case (Count I) are currently stayed in this Court. This is not a case, then, where the District Court proceeding involves claims regarding related patents—some that are also the subject of an ongoing ITC investigation (and thus subject to a mandatory stay in the District Court, pursuant to Section 1659) and some that are not. In that kind of case, were the District Court to proceed forward with claims regarding the patents not at issue in the ITC investigation, it would more clearly face the prospect of having to hold hearings and resolve issues as to the non-ITC patents, only to then later (after the ITC investigation is completed and the mandatory stay lifted) likely have to address many of the same patent-related issues as to the

ITC patents-in-suit. *See, e.g., Graphic Props.*, 2014 WL 923314, at *2 (noting that in such a circumstance, absent a stay, a court would need to ““hold status conferences and hearings and address discovery disputes only to be faced with many of these same issues after the [ITC-related mandatory] stay is lifted””) (quoting *Flexsys Ams., L.P. v. Kumho Tire, U.S.A., Inc.*, No. 5:05CV156, 2005 WL 1126750, at *4 (N.D. Ohio Apr. 29, 2005)). Here, in contrast, in light of the stay in place as to Count I, there is no question that any matters directly relating to the patent infringement claim will not be addressed until after the ITC investigation is complete. Thus, to the extent that there are patent-related efficiencies to be gained in this litigation due to what will have gone before in the ITC, those should be realized fully before a case schedule relating to Count I proceeds in this Court.

The question then is whether, as to the non-patent claims, progress on their resolution should halt while the ITC proceeding runs its course. On that question, it is worth noting that the legal issues in Counts II-IV are distinct from those in Count I. Counts II-IV are Lanham Act and state law claims relating to whether Defendants’ products were appropriately labeled so as to reflect their country of origin. Thus, their resolution will most directly implicate issues including the legal requirements relating to such labeling, the impact that the presence or absence of certain labeling would have on purchasers, and how to quantify (regarding damages) that impact in a measurable way. In contrast, Count I’s patent infringement claim will turn on whether the methods and processes used to make Defendants’ products are covered by the '952 patent (and, relatedly, on issues like the meaning of certain terms in the patent’s claims, and how Defendants’

products are actually made).² Thus, in the main, the legal issues at play in this proceeding and the ITC proceeding are substantially different, and the discovery regarding those issues should (again, in the main) look fairly different as well.³

Moreover, as to the two primary “simplification”-related issues raised by Defendants in support of the Motion, Plaintiff has responded by credibly addressing Defendants’ concerns. In

² Of course, there is a relationship between Count I (and the related patent matter at issue in the ITC proceeding) and Counts II-IV—if there was not, presumably the Counts could not be found in the same Complaint here. The Counts all relate to the same products of Defendants, and they implicate in some way the question of how the sale of those products harms FMC. (D.I. 84 at 6-7 & n.2) What happens in the ITC proceeding will likely have some impact on the remainder of this case. And relatedly, as Defendants note, (*id.* at 6-8), there will no doubt be overlap between what occurs in the ITC proceeding and what would occur in this Court were Counts II-IV not stayed. However, even Defendants are able to assert no more than that this will amount to “some overlap[.]” (*Id.* at 7) And even in doing so, Defendants note that “this overlap is somewhat less than the overlap between [Count I and Counts II-IV generally] because damages are not available at the ITC as they would be for a patent infringement proceeding here.” (*Id.* at 7 & n.3 (citing *Bio-Tech Gen. Corp. v. Genentech, Inc.*, 80 F.3d 1553, 1564 (Fed. Cir. 1996) (“[T]he ITC does not have the power to award damages for patent infringement. This form of relief may only be provided by the United States District Courts”)))

³ *Cf. Nippon Steel & Sumito Metal Corp. v. POSCO*, Civil Action No. 12-2429 (DMC), 2013 WL 1867042, at *7-8 (D.N.J. May 2, 2013) (concluding, in a case involving patent claims regarding patents also subject to reexamination proceedings, and non-patent claims including false advertising claims under the Lanham Act and common law unfair competition claims, that there would be no basis to stay the non-patent claims where “the legal theories underlying the non-patent claims differ substantially from the patent claims and will proceed regardless of whether the patents are upheld or not”); *Shurtape Techs., LLC v. 3M Co.*, No. 5:11CV17-RLV, 2013 WL 789984, at *1-3 (W.D.N.C. Mar. 4, 2013) (concluding, as to motion seeking stay of a patent claim regarding a patent subject to an *inter partes* reexamination proceeding, and non-patent claims asserting false designation of origin and unfair and deceptive conduct, that “a stay imparts *no* advantage for the non-patent aspects of the case”) (emphasis in original); *Card Tech. Corp. v. DataCard Corp.*, Civil No. 05-2546 (MJD / SRN), 2007 WL 551615, at *7-8 (D. Minn. Feb. 21, 2007) (staying patent infringement counterclaim pending resolution of reexamination proceeding, but refusing to stay non-patent counterclaim alleging tortious interference with a prospective business advantage, because the non-patent claim “turn[ed] in no way upon the precise scope of the claims of the patents or even upon the continuing existence of those patents”).

their opening brief, Defendants prominently focused on: (1) the fact that “if the non-patent claims are not stayed, this Court will likely have to hold two jury trials [one on Counts II-IV] and a second on patent infringement after the mandatory stay ends” and (2) the prospect for duplicative discovery. (D.I. 84 at 5-7) Yet in its answering brief, FMC pledged that any trial as to the patent claim in Count I “can be consolidated with the false labeling issues in this case so that this Court holds only a single trial” and that it is “perfectly amenable to consolidating the discovery obtained in the ITC with the discovery conducted in this case to avoid unnecessary duplication and expense.” (D.I. 91 at 9-10) FMC’s counsel confirmed these representations again at oral argument. (Transcript of July 9, 2014 Oral Argument (hereinafter, “Tr.”) at 165-69) FMC can be expected to be held to these concessions, which should go a long way in avoiding unnecessary duplication of effort were the ITC investigation and this proceeding (as to Counts II-IV) to proceed forward simultaneously.⁴

For all of these reasons, the Court finds that this factor clearly disfavors a stay.

B. Status of Litigation

Motions to stay are more likely to be granted when a case is in the early stages of litigation. *SenoRx, Inc. v. Hologic, Inc.*, Civil Action No. 12-173-LPS-CJB, 2013 WL 144255, at *5 (D. Del. Jan. 11, 2013); *see also Abbott Diabetes Care, Inc. v. Dexcom, Inc.*, C.A. No. 06-514 GMS, 2007 WL 2892707, at *5 (D. Del. Sept. 30, 2007) (staying litigation where no Rule 16 scheduling conference or discovery had occurred, no scheduling order had been entered, and

⁴ As this matter moves forward, were Defendants to have a strong case that FMC has not, in fact, attempted to streamline discovery between the two proceedings where possible in order to avoid unnecessary duplication, the Court expects that Defendants would bring that to this Court’s attention, either by way of a discovery-related motion or a renewed Motion to Stay.

“little time [had] yet to be invested in the litigation”). On the other hand, after discovery is complete or nearly complete and a trial is imminent, a stay is less likely to be granted, as in such a case, the principle of maximizing the use of judicial and litigant resources is often best served by seeing the case through to its conclusion. *SenoRx, Inc.*, 2013 WL 144255, at *5 (citing cases).

As FMC suggests, (D.I. 91 at 12), this factor is not wholly one-sided. At the time of the Motion’s filing, the District Court had resolved a discovery dispute regarding the preliminary injunction motion. Additionally, the parties had by then engaged (and thereafter continued to engage) in substantial efforts to prepare a record regarding that motion—a motion that, both parties agree, will need to be resolved by the Court even were Defendants’ instant Motion to be granted. (D.I. 94 at 5) Thus, some not-inconsequential amount of Court and litigant resources would have been expended prior to the imposition of the requested stay.

Nevertheless, Defendants are correct that this case is in its early stages. (D.I. 84 at 10) No schedule has yet been entered, no Rule 16 conference has been held, general fact discovery has not begun as to Counts II-IV, and no trial date has been set.

As a result, the relatively early stage of the litigation clearly favors a stay. *See, e.g., SenoRx, Inc.*, 2013 WL 144255, at *5-6 (finding that this factor favored a stay, as a *Markman* hearing, completion of fact discovery and expert discovery, and filing of case dispositive motions were all “months away”—and that the factor would have redounded even more strongly in the movant’s favor, had a schedule not already been entered and had fact discovery not already commenced); *see also Graphic Props.*, 2014 WL 923314 at *3 (finding this factor to favor a stay where “[n]o trial date has been set for this case and discovery is not yet complete”).

C. Prejudice

Finally, courts analyze “whether a stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party.” *Graphic Props.*, 2014 WL 923314 at *2. As to this “prejudice” factor, the parties focus mainly on their status as competitors.⁵

“It is well established that [c]ourts are generally reluctant to stay proceedings where the parties are direct competitors.” *ImageVision.Net, Inc. v. Internet Payment Exch., Inc.*, C.A. No. 12-054-GMS-MPT, 2013 WL 663535, at *6 (D. Del. Feb. 25, 2013) (internal quotation marks and citations omitted), *report and recommendation adopted*, 2013 WL 1743854 (D. Del. Apr. 22, 2013). In such a circumstance, courts have recognized that delaying adjudication of a dispute between the competing parties then can “have outsized consequences to the party asserting [claims for relief,] including the potential for loss of market share and an erosion of goodwill.” *SenoRx, Inc.*, 2013 WL 144255, at *7 (citing *Nat’l Prods., Inc. v. Gamber-Johnson, LLC*, No. 2:12-cv-00840, 2012 WL 3527938, at *2-3 (W.D. Wash. Aug. 14, 2012)).

There is no real question here that the parties are competitors with regard to their respective herbicide products—that is, that to at least some degree, Defendants’ Blanket 4F product performs a similar function to certain of FMC’s herbicidal products, and the Blanket 4F product might well be purchased as an alternative to certain of FMC’s products. (D.I. 1 at ¶¶ 20, 47) The dispute here comes down to the proper characterization of the relevant market, and how

⁵ Defendants also note that potential prejudice to FMC would be mitigated by the fact that (1) an ITC proceeding is “significantly shorter” than, for example, a reexamination proceeding and (2) FMC initiated the ITC proceeding and had to know that it would itself occasion some delay as to this case. (D.I. 94 at 3) The Court agrees that these facts mitigate potential prejudice to FMC caused by a stay, and has taken this into account in its overall evaluation of the “prejudice” factor.

that impacts the likelihood of resulting harm from a stay (assuming Plaintiff's claims are well-taken and Defendants' conduct continues). To be sure, the scope of the relevant market does matter for purposes of discerning prejudice to the non-moving party, with perhaps the most acute form of potential prejudice felt in a field where there are only two direct competitors (such that sales lost by one necessarily will be gained by the other). *SenoRx, Inc.*, 2013 WL 144255 at *8 & n.10 (citing cases); *see also Davol, Inc. v. Atrium Med. Corp.*, Civil Action No. 12-958-GMS, 2013 WL 3013343, at *3 (D. Del. June 17, 2013) ("There may be less cause for concern, however, when there are multiple firms in the relevant market.").

FMC, for its part, describes the market as that for the "distribution and sale of sulfentrazone" and claims that Summit Agro "is the only competitor to FMC in selling *sulfentrazone-based* herbicides." (D.I. 91 at 5-6 (emphasis added))⁶ (FMC also alleges that its largest distributor for sulfentrazone products was Tenkoz—Defendants' only U.S.-based customer for Blanket 4F—and that after Defendants began selling to Tenkoz, its products lost sales to Defendants' products as a result.). (D.I. 1 at ¶ 47; D.I. 21 at ¶ 36; *see also* D.I. 17 at 2)⁷ Defendants counter by persuasively asserting that the scope of the relevant market is larger. In doing so, they cite, *inter alia*, to the deposition testimony of FMC's Commercial Director for North America, who describes the relevant market as that relating to herbicides that share a similar "biological efficacy" and suggests that, framed that way, there are between "[10 to] 15 . . .

⁶ Defendants contest this statement, asserting that there is at least one other sulfentrazone-based competitor. (Tr. at 113, 155-56)

⁷ Of course, asserting this is one thing; it is another matter for FMC to have sufficient evidence to persuade a fact finder that, *inter alia*: (1) sales were in fact lost to Defendants and that (2) such sales could be linked to the conduct at issue in Count II.

truly direct competitors” to FMC’s sulfentrazone-based Authority branded herbicide. (D.I. 71, ex. A at 83:1-6 (cited in D.I. 94 at 3); *see also id.* at 85:4-23; D.I. 26, ex. 48 at 2 (FMC 2012 “Summary Report” document identifying nearly 20 products that customers identified as being “other brands of herbicides[,]” in addition to FMC’s products, which are applied “pre-emergence to your soybean crop for broadleaf control”)) What evidence there is as to the relevant market suggests that it is of the scope indicated by Defendants.

Nevertheless, the Court finds that the “prejudice” factor should weigh slightly in favor of FMC. In doing so, it notes that even in cases where there were some number of other competitors in the market, so long as plaintiff and defendant were joint market participants and engaged in some level of competition, our Court has tended to find that some amount of potential prejudice is at play.⁸ Additionally, the parties’ status as “competitors” was at least significant enough in the District Court’s eyes for it to be cited as a factor in the District Court’s resolution of the discovery dispute regarding the preliminary injunction motion. (D.I. 65) Lastly, our Court has noted that “[t]he decision by a litigant to seek [] injunctive relief” is a signal that can be used to help determine whether “the parties, in fact, do compete and [whether] real prejudice will flow

⁸ *See, e.g., Helicos Biosciences Corp. v. Pacific Biosciences of Cal.*, Civ. No. 10-735-SLR, 2011 WL 6299761, at *3 n.9 (D. Del. Dec. 16, 2011) (declining to make definitive findings on the issue of competition, but determining that plaintiff’s status as “a market participant” with defendant was sufficient for the sub-factor to disfavor a stay); *Cooper Notification*, 2010 WL 5149351, at *5 (finding the sub-factor to disfavor a stay when the parties competed in a “small percentage of their transactions”); *cf. Nexans Inc. v. Belden Inc.*, C.A. No. 12-1491-SLR-SRF, 2014 WL 651913, at *3 & n.3 (D. Del. Feb. 19, 2014) (finding that because defendants had failed to show that “the parties are the only two participants in the relevant market” this sub-factor did “not weigh substantially in favor of a stay”); *Neste Oil OYJ v. Dynamic Fuels, LLC*, Civil Action No. 12-1744-GMS, 2013 WL 3353984, at *3-4 (D. Del. July 2, 2013) (finding sub-factor not to weigh in plaintiff’s favor, but where there were “many hundreds” of fellow competitors in the relevant market along with plaintiff and defendant) (internal quotation marks and citation omitted).

from the imposition of a stay.” *Neste Oil OYJ v. Dynamic Fuels, LLC*, Civil Action No. 12-1744-GMS, 2013 WL 3353984, at *4 (D. Del. July 2, 2013) (citing *SenoRx, Inc.*, 2013 WL 144255, at *8). While there can be any number of reasons why parties do or do not file preliminary injunction motions in such cases, and while it is important to note that the test for obtaining injunctive relief is different from the calculus at play in considering this stay-related factor, *see SenoRx, Inc.*, 2013 WL 144255 at *8, FMC did, in fact, file a preliminary injunction motion (both here and in the ITC).⁹

For these reasons, there is enough in the record for the Court to conclude that the “prejudice” factor should weight at least slightly in FMC’s favor, and against a stay.¹⁰

⁹ For the first time at oral argument, Defendants suggested that they may take labeling-related action as to jugs containing their products in the future that might alleviate potential prejudice to FMC. (*See, e.g.*, Tr. at 169-70) The Court is not prepared to, in adjudicating the Motion, rely on (somewhat uncertain) facts not of record that are raised in that fashion.

¹⁰ The heart of Defendants’ motion really is about an issue not explicitly covered by the language of the three stay-related factors above—the prejudice *Defendants* would face in proceeding in two fora were a stay not granted, due to the fact that FMC initiated litigation in both this Court and the ITC. When analyzing motions to stay, our Court has at times explicitly considered whether the moving party would face undue hardship or inequity in the absence of a stay. It has explained that such an inquiry should be a part of the Court’s analysis of the “prejudice” factor of the three-factor motion to stay-related balancing test, if there is “even a fair possibility that the stay would work damage on another party.” *ImageVision.Net, Inc.*, 2012 WL 5599338, at *3 (internal quotation marks and citation omitted) (explaining that “where there is a ‘fair possibility’ that a stay would prove detrimental to the non-movant, and the movant is unable to demonstrate a clear case of hardship or inequity, granting that stay is likely to result in undue prejudice to the non-movant”) (quoting *Landis v. N. Am. Co.*, 299 U.S. 248, 255 (1936)) (additional citations omitted); *see also Cooper Notification*, 2010 WL 5149351, at *2 (citing *Landis* and noting that “a showing of hardship or inequity is ‘generally’ needed to show that the balance of equities favors a stay” but stating that such a showing by a movant is not a requirement, as “circumstances may arise in which the overall balance could be tipped in favor of a stay even if proceeding with the litigation will cause no undue hardship or prejudice to the party seeking a stay”). Here, the Court notes that Defendants, in articulating the prejudice they face without a stay, have largely focused on the litigation costs involved in proceeding both in this

IV. CONCLUSION

The potential for simplifying the issues in this case clearly weighs against a stay. The current status of this litigation clearly favors a stay. Finally, the amount of undue prejudice to the non-movant associated with the stay request weighs slightly against the grant of a stay.

While both sides' positions have merit, in the end, the Court is convinced that the factors balance slightly in Plaintiff's favor.¹¹ It concludes that, especially in light of Plaintiff's promises

Court and at the ITC at the same time. (D.I. 84 at 8-9; D.I. 94 at 6-8) This type of economic harm, while real, has repeatedly been deemed by this Court not to amount to the kind of "undue" hardship or inequity referenced in the case law. *Personalized User Model, L.L.P. v. Google, Inc.*, C.A. No. 09-525-LPS, 2012 WL 5379106, at *2 (D. Del. Oct. 31, 2012) (noting that the moving party had made no such showing of clear hardship or inequity when the only prejudice it argued it would incur in proceeding with the litigation was added litigation cost); *Cooper Notification*, 2010 WL 5149351, at *2 n.1 (same). Defendants also cite their status as a small company in support of their claim that maintaining two parallel litigations will cause them prejudice. (D.I. 94 at 7) But they cite to nothing of record to give indication of the magnitude of that prejudice on their employees. And they cite to nothing that better articulates how the prejudice to their employees from litigating Count I at the ITC and Counts II-IV in this Court would be outsized as compared to what their employees would have faced were Defendants to have continued litigating Counts I-IV all together in this Court.

¹¹ Contrary to Defendants' suggestion, (D.I. 84 at 6, 8-9; D.I. 94 at 8-9), the Court does not find that a different result is mandated by the decision in *Avago Techs. U.S. Inc. v. IPtronics, Inc.*, No. 5:10-cv-2863-EJD, 2013 WL 623042 (N.D. Cal. Feb. 15, 2013). In *Avago*, the plaintiffs filed suit in the Northern District of California alleging that defendants infringed two related patents (patents that were commonly owned, that shared the same inventors, and that were claimed to cover the same device). *Avago*, 2013 WL 623042 at *1-2. A year later, after lengthy progress was made on that case, the plaintiffs amended the complaint to, *inter alia*, add five business tort claims; less than a week after that, they filed a complaint in the ITC alleging infringement of one of the two patents-in-suit. *Id.* at *1. The *Avago* Court, noting that a stay as to the patent claim also at issue in the ITC proceeding was mandatory, ultimately granted a stay as to the remaining portion of the matter before it. *Id.* at *2, *4. In doing so, however, it cited to a number of factors not at issue in this case. First, clearly relevant to the *Avago* Court's decision was that, were the remainder of the litigation before it not stayed, then claims relating to one patent would go forward—only to later call for duplicative effort when the ITC proceeding ended and claims as to the second patent required further litigation. *Id.* at *2-3. Second, the *Avago* Court found that the defendants would be particularly prejudiced without a stay because plaintiffs "chose to file an ITC investigation *fairly late in this litigation* knowing that in so doing, they

of streamlined efficiency, the equities favor moving Counts II-IV forward, even if that does cause Defendants difficulty in proceeding in two fora at the same time.

Therefore, it is ORDERED that Defendants' Motion to Stay is DENIED.

Dated: July 21, 2014



Christopher J. Burke
UNITED STATES MAGISTRATE JUDGE

would spread [d]efendants' financial resources even thinner[.]” *Id.* at *3 (emphasis added). Third, in *Avago*, the defendants noted that plaintiffs had added the non-patent claims nearly a year after the case began and just before the ITC investigation was sought—in a manner that made it appear that they were added as “a hedge against the court’s staying the action in its entirety.” *Id.* at *2. And fourth, in *Avago*, the District Court litigation would clearly have proceeded to trial before the conclusion of the ITC investigation, resulting in, *inter alia*, the need for two trials. *Id.* at *3. In this case, in contrast: (1) no related patent claims will proceed forward in the absence of a stay; (2) FMC did not file the ITC complaint after this case had been proceeding for a lengthy period of time; (3) FMC’s non-patent claims were a part of the original Complaint and FMC has litigated them fervently since; and (4) FMC has conceded that it will not seek two separate trials here. For these reasons, the Court finds that the two cases are different, that some of the aggravating factors at issue in *Avago* are not present here, and thus that the result here is not in conflict with that in *Avago*.