UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

COMCAST CORPORATION; COMCAST CABLE COMMUNICATIONS, LLC; COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC; COMCAST OF HOUSTON, LLC; COMCAST BUSINESS COMMUNICATIONS, LLC; COMCAST HOLDINGS CORPORATION; COMCAST SHARED SERVICES, LLC; and COMCAST STB SOFTWARE I, LLC,

Plaintiffs,

-v-

ROVI CORPORATION; ROVI GUIDES, INC.; ROVI TECHNOLOGIES CORP.; and VEVEO, INC.,

Defendants.

16-CV-3852 (JPO)

OPINION AND ORDER

J. PAUL OETKEN, District Judge:

On June 1, 2016, Comcast[1] filed a motion for preliminary injunction, seeking to enjoin Rovi[2] from continuing to prosecute their patent infringement claims against Plaintiffs in the Eastern District of Texas and before the International Trade Commission ("ITC"). (*See* Dkt. No. 25). On August 16, 2016, the Court denied Plaintiffs' motion for a preliminary injunction, granted Defendants' motion to the extent that it requested a stay, and denied as moot Plaintiffs' letter motion to stay the ITC proceedings. (*See* Dkt. No. 75.) In an Opinion and Order dated December 14, 2016, the Court further denied Comcast's motion to enjoin Rovi from prosecuting its ITC action.

[1] Comcast Corporation; Comcast Cable Communications, LLC; Comcast Cable Communications Management, LLC; Comcast of Houston, LLC; Comcast Business Communications, LLC; Comcast Holdings Corporation; Comcast Shared Services, LLC; and Comcast STB Software I, LLC (collectively, "Comcast" or "Plaintiffs").

[2] Rovi Corporation; Rovi Guides, Inc.; Rovi Technologies Corp.; and Veveo Inc. (together, "Rovi" or "Defendants").

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

See Comcast Corp. v. Rovi Corp., No. 16 Civ. 3852, 2016 WL 7235802 (S.D.N.Y. Dec. 14, 2016).

Comcast has moved for reconsideration of the December Order pursuant to Local Civil Rule 6.3. (Dkt. No. 90.) For the reasons that follow, the motion is denied.

In addition, on October 25, 2016, when the United States District Court for the Eastern District of Texas granted Plaintiffs' motions to change venue to this Court (Dkt. No. 79-1), that court had before it two fully briefed motions to stay, *Rovi Guides, Inc. v. Comcast Corp.*, No. 16 Civ. 9278 (S.D.N.Y. June 9, 2016), Dkt. Nos. 108, 109. For the reasons that follow, those motions are also denied.

I. Motion to Reconsider

A. Legal Standard

"A motion for reconsideration is an extraordinary remedy to be employed sparingly in the interests of finality and conservation of scarce judicial resources." *Indergit v. Rite Aid Corp.*, 52 F. Supp. 3d 522, 523 (S.D.N.Y. 2014) (internal quotation marks omitted) (quoting *Drapkin v. Mafco Consol. Grp., Inc.*, 818 F. Supp. 2d 678, 695 (S.D.N.Y. 2011)). "To prevail, the movant must demonstrate either (i) an intervening change in controlling law; (ii) the availability of new evidence; or (iii) the need to correct clear error or prevent manifest injustice." *Id.* (quoting *Jacob v. Duane Reade, Inc.*, 293 F.R.D. 578, 580-81 (S.D.N.Y. 2013)). "[T]he movant cannot rely upon facts, issues, or arguments that were previously available but not presented to the court, or reargue issues that have already been considered." *Id.* A motion for reconsideration is not "a second bite at the apple." *Goonan v. Fed. Reserve Bank of N.Y.*, No. 12 Civ. 3859, 2013 WL 1386933, *2 (S.D.N.Y. Apr. 5, 2013).

B. Discussion

Familiarity with the underlying facts of this case, as set forth in the Court's December 14,

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

2016, Opinion and Order, is presumed. In relevant part, the Court determined that the forum selection clause of the expired patent license agreement (the "Patent Agreement") did not cover the present action. (Dkt. No. 84 at 7.) The Court reasoned that, while patent infringement claims do arise from license agreements, the present action did not trigger the forum-selection clause of the Patent Agreement because Rovi is seeking relief for allegedly infringing activity that occurred only *after* the expiration of the agreement. (*Id.* (citing *Texas Instruments Inc. v. Tessera, Inc.*, 231 F.3d 1325, 1328 (Fed. Cir. 2000); *Innovative Display Techs. LLC v. Microsoft Corp.*, No. 13 Civ. 783, 2014 WL 2757541 (E.D. Tex. June 17, 2014)).)

Comcast now requests that the Court reconsider its holding in light of statements made by Rovi before the ITC. Comcast argues that these statements demonstrate that, despite Rovi's prior assurances to this Court, Rovi is indeed seeking relief as to alleged unfair acts that occurred *before* the expiration of the Patent Agreement. (*See* Dkt. No. 91.) If true, according to Comcast, the forum-selection clause in the Patent Agreement is triggered and the Court should enjoin the ITC action. (*See* Dkt. No. 91 at 11-12.)

As an initial matter, the statements made by Rovi in the ITC proceedings were not available to the Court when it issued its December 14, 2016, order. As such, they are properly considered on a motion for reconsideration.[3] *See Indergit*, 52 F. Supp. 3d at 523.

In particular, Comcast points to two aspects of the now-developed ITC record that it argues undermines Rovi's previous assertions that it is seeking only post-expiration relief: (1) Comcast's alleged stockpiling of infringing products while the Patent Agreement was in effect, and (2) Comcast's testing of infringing products after importation while the Patent Agreement

[3] Comcast also argues that its invocation of the Patent Agreement as a defense is sufficient to trigger the forum-selection clause. (Dkt. No. 91 at 10.) But this argument is not appropriate on a motion for reconsideration, as Comcast previously made this argument to the Court. (*See* Dkt. No. 27 at 13, 19.) *See Indergit*, 52 F. Supp. 3d at 523.

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

was in effect.

First, in Rovi's pre-hearing brief filed with the ITC, Rovi claimed that Comcast "import[ed] and stockpile[d] . . . products . . . under license" so that it could "distribute those infringing imported products with impunity immediately after" the LDA expired, and that Comcast "buil[t] up its inventory with imported products under license" that it is "leas[ing] . . . after the license has expired." (Dkt. No. 94-1 at 3, 9.) Comcast now argues that Rovi is seeking relief in the ITC for this "stockpiling," which took place before the expiration of the Patent Agreement, thus triggering the forum-selection clause. Indeed, Comcast argues that the ITC does not have jurisdiction over Rovi's claims unless Rovi's claims are based on the unfair act of importing and stockpiling the allegedly infringing products. (Dkt. No. 91 at 7.)

Second, Rovi represented to the ITC that Comcast's testing of the allegedly infringing products upon receipt infringes the asserted patents. (*See id.* at 4.) Comcast argues that, because Comcast had not acquired any allegedly infringing products since three months prior to the expiration of the Patent Agreement, any testing activity must have occurred while the Patent Agreement was still in effect. (*Id.* at 10.) Thus, Comcast argues, Rovi has sought relief in the ITC for unfair acts that occurred before the expiration of the Patent Agreement. (*Id.*)

But Rovi continues to plausibly maintain that it is not seeking the relief that Comcast believes it to be seeking. Instead, it argues that it is seeking relief in the ITC based on two alleged unfair acts: (1) importation of products *after* the expiration of the Patent Agreement, and (2) sales/distribution of products from inventory *after* the expiration of the Patent Agreement. (Dkt. No. 96 at 4.)

Comcast has not shown that Rovi is seeking relief in the ITC for any unfair act consisting of pre-expiration activity, including any stockpiling or testing of the allegedly infringing products. Throughout its representations to the ITC, Rovi has consistently asserted that

DOCKET ALARM Find authenticated court documents without watermarks at docketalarm.com.

Comcast's activity before the expiration of the Patent Agreement was lawful and that it is seeking relief for unfair acts that occurred only after the expiration of that agreement. (*See, e.g.*, Dkt. No. 94-1 at 9 (arguing that Comcast does not "point to any authority that that would allow the distribution of imported, infringing products *after a license has expired*, and they cite no authority to suggest that the Commission is powerless to reach the millions of imported infringing products deployed by Comcast." (emphasis added)); Dkt. No. 97-1 at 3 ("To be clear: Rovi's claims in this Investigation are based solely on violations of Section 337 that have taken place after the expiration of the Patent License. *All* such violations fall within the purview of the Commission, including 'importations' that violate Section 337, and independently, 'sales after importation' that violate Section 337."); *id.* at 6 ("Comcast's rights to practice the Asserted Patents terminated with [the Patent Agreement.]").)

This is consistent with Rovi's representations to the ITC that "an Accused Product imported under license might still serve as a basis for a violation of Section 337 if a 'sale after importation' takes place after expiration of the Patent License," regardless of "whether or not the product was licensed when imported." (Dkt. No. 97-1 at 3.) And while this Court does not presume to decide any jurisdictional issue that the parties may raise at the ITC, Rovi's arguments appear consistent with the scope of the ITC's jurisdiction. *See Certain Elec. Devices with Image Processing Sys., Components Thereof, & Associated Software*, Inv. No. 337-TA-724, 2012 WL 3246515, at *11 (U.S.I.T.C. Dec. 21, 2011) ("[T]he statutory language of section 337 now expressly defines the relevant unfair acts to be importation, sale for importation, and sale after importation of 'articles *that – infringe*' U.S. patents." (quoting 19 U.S.C. § 1337(a)(1)(B)(i))).

Given the "extraordinary" nature of a motion for reconsideration, and because Comcast has failed to demonstrate that the forum-selection clause in the expired Patent Agreement was triggered by Rovi's statements in the ITC proceedings—which is the only new evidence raised

DOCKET ALARM
Find authenticated court documents without watermarks at docketalarm.com.

DOCKET ALARM

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts

Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research

With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips

Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.