

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
MARSHALL DIVISION**

ADVANCED MICRO DEVICES, INC.; and ATI
TECHNOLOGIES ULC,

Plaintiffs,

v.

TCL INDUSTRIES HOLDINGS CO., LTD.; TCL
INDUSTRIES HOLDINGS (H.K.) LIMITED;
TCL ELECTRONICS HOLDINGS LIMITED;
TCL TECHNOLOGY GROUP CORPORATION;
TTE CORPORATION; TCL HOLDINGS (BVI)
LIMITED; TCL KING ELECTRICAL
APPLIANCES (HUIZHOU) CO. LTD.;
SHENZHEN TCL NEW TECHNOLOGIES CO.,
LTD.; TCL MOKA INTERNATIONAL
LIMITED; TCL SMART DEVICE (VIETNAM)
CO., LTD; MANUFACTURAS AVANZADAS
SA DE CV; TCL ELECTRONICS MEXICO, S
DE RL DE CV; TCL OVERSEAS MARKETING
LTD.; and REALTEK SEMICONDUCTOR
CORP.,

Defendants.

C. A. NO. 2:22-CV-00134-JRG

JURY TRIAL DEMANDED

**DEFENDANT TCL'S UNOPPOSED MOTION TO STAY CASE PENDING
RESOLUTION OF PARALLEL U.S. INTERNATIONAL TRADE COMMISSION
INVESTIGATION NO. 337-TA-1318**

Pursuant to 28 U.S.C. § 1659(a), Defendants TCL Industries Holdings Co. Ltd., TCL Industries Holdings (H.K.) Limited.—correct name TCL Industries Holdings (H.K.) Co., Ltd.—, TCL Electronics Holdings Limited, TCL Technology Group Corporation, TTE Corporation, TCL Holdings (BVI) Limited, TCL King Electrical Appliances (Huizhou) Co. Ltd., Shenzhen TCL New Technologies Co., Ltd.—correct name Shenzhen TCL New Technology Co., Ltd.—, TCL MOKA International Limited, TCL Smart Device (Vietnam) Co., Ltd., Manufacturas Avanzadas SA de CV, TCL Electronics Mexico, S de RL de CV, and TCL Overseas Marketing Ltd. (collectively, “TCL”) respectfully request the Court to stay this case pending disposition of a related proceeding, *In the Matter of Certain Graphics Systems, Components Thereof, and Digital Televisions Containing the Same*, Inv. No. 337-TA-1318, before the United States International Trade Commission (“ITC” or “Commission”). Plaintiffs Advanced Micro Devices, Inc. and ATI Technologies ULC (collectively, “AMD”) and defendant Realtek Semiconductor Corp. do not oppose this motion.

Accordingly, TCL respectfully moves, without opposition, to stay these proceedings pending final resolution of the parallel ITC investigation. Resolution of the parallel ITC investigation has a significant chance of simplifying or resolving some or all of the issues presented in this case, and such a stay is mandated by 28 U.S.C. § 1659(a), and also warranted under the Court’s inherent authority.

I. STATEMENT OF FACTS

On May 5, 2022, AMD filed the Complaint in this action. (Dkt. 1.) Shortly after, AMD filed a parallel investigation in the United States International Trade Commission.

On June 1, 2022, the ITC investigation was instituted. *In re Matter of Certain Graphics Systems, Components Thereof, and Digital Televisions Containing the Same*, Inv. No. 337-TA-

1318. A true and correct copy of the ITC's Notice of Investigation is attached to this Motion as Exhibit A.

On July 1, 2022, TCL and AMD jointly moved to extend the deadline to seek a mandatory motion to stay amongst other things. (*See* Dkt. No. 23.)

On July 7, 2022, the Court granted TCL and AMD's joint motion, ordering that the deadline for TCL to seek a mandatory stay be extended to July 22, 2022. (Dkt. No. 28 at 2.)

On July 11, 2022, AMD moved for partial termination to terminate the claims of the '454 Patent from the ITC investigation. *In re Matter of Certain Graphics Systems, Components Thereof, and Digital Televisions Containing the Same*, Inv. No. 337-TA-1318, Order No. 10: Initial Determination Granting Complainants' Unopposed Motion For Partial Termination, at 1 (July 14, 2022). On July 14, the ITC granted AMD's motion, which terminated the claims of the '454 Patent from the investigation. (*Id.* at 2–3.)

II. ARGUMENT

A. TCL is Entitled to a Mandatory Stay Under 28 U.S.C. § 1659(a).

Federal law provides for a mandatory stay of related civil actions that involve the same parties and the same issues pending final disposition of proceedings before the ITC:

(a) Stay. - In a civil action involving parties that are also parties to a proceeding before the United States International Trade Commission under section 337 of the Tariff Act of 1930, at the request of a party to the civil action that is also a respondent in the proceeding before the Commission, *the district court shall stay, until the determination of the Commission becomes final, proceedings in the civil action* with respect to any claim that involves the same issues involved in the proceeding before the Commission, but only if such request is made within—

(1) 30 days after the party is named as a respondent in the proceeding before the Commission, or

(2) 30 days after the district court action is filed,

whichever is later.

28 U.S.C. § 1659(a) (emphasis added); *see also In re Princo*, 478 F.3d 1345, 1355 (Fed. Cir. 2007) (granting writ of mandamus directing district court to stay proceedings under 28 U.S.C. § 1659(a) until the ITC proceedings became final, *i.e.*, “are no longer subject to judicial review”). Prior to the 30-day deadline under § 1659(a)(1), TCL and AMD jointly moved to extend the deadline to seek a mandatory stay of proceedings. (*See* Dkt. No. 23.) This Court granted that motion, ordering that the deadline for TCL to seek a mandatory stay be extended to July 22, 2022. (Dkt. No. 28 at 1–2.) TCL is requesting this stay within the Court-ordered deadline. Consequently, TCL seeks a mandatory a stay of this action pursuant to § 1659(a) until the determination of the Commission becomes final.

TCL’s request for a stay satisfies § 1659(a). The parties in this case are the same parties to the ITC investigation. The Plaintiffs here, AMD, is the Complainant before the ITC, and TCL is a defendant here and a respondent in the ITC proceeding. (*See* Notice of Investigation, Exhibit A, at 2–4). The patents at issue in this case are the same patents at issue in the ITC investigation. In the pending ITC investigation, AMD alleges that TCL infringed U.S. Patent Nos. 7,742,053 (“the ’053 Patent”), 8,760,454 (“the ’454 Patent”)¹, 11,184,628 (“the ’628 Patent”), 8,468,547 (“the ’547 Patent”), and 8,854,381 (“the ’381 Patent”). (Exhibit A at 1–2.)

¹ The ’454 Patent was included in AMD’s complaint to the ITC, but has since been terminated from the investigation. *See In re Matter of Certain Graphics Systems, Components Thereof, and Digital Televisions Containing the Same*, Inv. No. 337-TA-1318, Order No. 10: Initial Determination Granting Complainants’ Unopposed Motion For Partial Termination, 1–3 (July 14, 2022).

Here, AMD likewise asserts that TCL infringes the '053 Patent, the '454 Patent, the '628 Patent, the '547 Patent, and the '381 Patent. (Dkt. No. 1 at 24–27). Similarly, the ITC investigation and this case both encompass issues relating to the patents, such as infringement, validity, and enforceability; and the defenses that TCL might raise are also the same in the two proceedings.

Furthermore, TCL's request is timely. The ITC formally named the TCL entities as respondents by publishing its Notice of Investigation in the *Federal Register* on July 1, 2022. See 19 C.F.R. § 210.3 (defining respondent as any “person named in a notice of investigation”). Thus, the 30-day period under § 1659(a)(1) began to run on June 1, 2022. TCL and AMD's joint motion, filed prior to the end of the 30-day period under § 1659(a)(1), was granted by this Court thereby extending the 30-day deadline for three weeks, until July 22, 2022. (Dkt. No. 28 at 2.)

B. The Court Has Inherent Authority to Stay The Case

A federal district court has discretion to stay proceedings in exercising its inherent authority to control the disposition of its cases. *Cherokee Nation of Okla. v. United States*, 124 F.3d 1413, 1416 (Fed. Cir. 1997). Further, when and how to stay proceedings is within the sound discretion of the trial court. See *Landis v. North Am. Co.*, 299 U.S. 248, 254–55 (1936). The ITC investigation will determine whether TCL is violating Section 337 by importing into or selling in the United States products that infringe one or more claims of the '053 Patent, the '454 Patent, the '628 Patent, the '547 Patent, and the '381 Patent. The Complaint in this action asks the Court to determine whether the same parties infringe one or more claims of the same set of patents by importing into or selling in the United States the same accused products. (See Dkt. No. 1.) Permitting this case to proceed concurrently with the ITC investigation would result in the expenditure of unnecessary time by the Court and could lead to duplicative and inconsistent outcomes regarding the same patents and the same accused products. This District Court action

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