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HUAWEI TECHNOLOGIES CO., LTD

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

TECHNOLOGY PROPERTIES LIMITED
LLC, PHOENIX DIGITAL SOLUTIONS,
LLC., AND PATRIOT SCIENTIFIC
CORPORATION,

Plaintiffs,

v.

HUAWEI TECHNOLOGIES CO., LTD. and
HUAWEI NORTH AMERICA,

Defendants.

Case No.: 3:12-cv-03865-PJH

STIPULATION AND [~~PROPOSED~~] ORDER
STAYING ACTION PURSUANT TO 28
U.S.C. § 1659

STIPULATION

Plaintiffs Technology Properties Limited, LLC, Phoenix Digital Solutions, LLC, and
Patriot Scientific Corporation (collectively, “TPL”), and Defendant Huawei Technologies Co.,
Ltd. (“Huawei Technologies”) herein seek to stay this entire civil action (“Action”) pursuant to

28 U.S.C. § 1659 and the Court’s inherent powers.¹ Subject to Huawei Technologies reserving its right to contest jurisdiction, venue, service, and all other rights to answer or otherwise respond to the Complaint at a later time, TPL and Huawei Technologies² hereby agree and stipulate to a stay of this Action, on the following grounds:

1. TPL filed its Complaint in this Court against Huawei Technologies on July 24, 2012, asserting infringement of U.S. Patent No. 5,440,749 (the “749 Patent”), U.S. Patent No. 5,530,890 (the “890 Patent”), and U.S. Patent No. 5,809,336 (the “336 Patent”).

2. On that same day, TPL also filed a Complaint under Section 337 of the Tariff Act of 1930 (As Amended) with the U.S. International Trade Commission (“ITC Complaint”) alleging infringement of the ’336 Patent. TPL’s ITC Complaint was filed against a number of respondents, including Huawei Technologies, named as a defendant in this Action.

3. The ITC’s Notice of Institution of ITC Investigation No. 337-TA-853 was published in the Federal Register on August 24, 2012. *See 77 Fed Reg. 51,572* (Aug. 24, 2012). Section 1659 of United States Code Title 28 provides that where “a civil action involving the parties that are also parties to a proceeding before the 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 proceedings before the Commission.” 28 U.S.C. § 1659(a). This stay is mandatory if such a request is made within thirty (30) days from institution of the Investigation. *Id.*

¹ On September 26, 2012, this Court stayed a related action by TPL against Barnes & Noble, Inc., Case No. 4:12-cv-3863-PJH (Docket No. 12), pursuant to an almost identical stipulation of the parties.

² TPL also names “Huawei North America” as a defendant in this action, but no such entity exists. For the reasons set forth herein, the Court should nonetheless stay this entire action with respect to all parties named in the complaint.

1 4. All of the requirements of Section 1659 have been met as to the '336 patent
 2 because (i) the parties to this Action are also parties to ITC Investigation No. 337-TA-853; (ii)
 3 Huawei Technologies, which is also a named respondent in ITC Investigation No. 337-TA-853,
 4 requests a stay, and on September 20, 2012, within the 30-day period, filed a Motion to Stay this
 5 Action, which TPL does not oppose; and (iii) the patent-infringement claims at issue in this
 6 Action include those at issue in ITC Investigation No. 337-TA-853. Further, to conserve judicial
 7 resources, TPL and Huawei Technologies agree that the Action should be stayed as to the '749
 8 and '890 patents asserted in this Action pending final resolution of ITC Investigation No. 337-
 9 TA-853. The Court has the inherent power to grant such a request. *See SanDisk Corp. v. Phison*
 10 *Elecs. Corp.*, 538 F. Supp. 2d 1060, 1065 (W.D. Wis. 2008) (district courts have the power to
 11 stay patent infringement proceedings that pertain to similar issues in investigations pending in
 12 the ITC even when the patents at issue are not identical).

13 Accordingly, subject to the approval of the Court, the parties agree to stay the entirety of
 14 this Action, including, without limitation, the time to answer or otherwise respond to the
 15 Complaint, until the determination of the Commission becomes final in ITC Investigation No.
 16 337-TA-853, including any and all appeals. The parties agree that Huawei Technologies need not
 17 respond to the Complaint before the Court approves this Stipulation and Order, and further agree
 18 that upon dissolution of the stay, Huawei Technologies will have thirty (30) days to answer or
 19 otherwise respond to the Complaint.

20 5. Finally, the parties hereto agree that upon approval by the Court of this
 21 Stipulation and Order, Huawei Technologies' Motion to Stay this Action, filed on September 20,
 22 2012 (Docket No. 7), shall be deemed withdrawn.

23 For all the foregoing reasons, TPL and Huawei Technologies respectfully request that the
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1 Court stay this action as to all parties pursuant to 28 U.S.C. § 1659(a) and the Court's inherent
2 powers.

3
4 Dated: October 2, 2012

STEPTOE & JOHNSON LLP

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6 By: /s/ Morgan L. Hector

7 Huan-Yi Lin

8 Morgan L. Hector

9 *Counsel for Defendant Huawei Technologies*
10 *Co., Ltd.*

11 Dated: October 2, 2012

AGILITY IP LAW, LLP

12
13 By: /s/ Michelle G. Breit

14 Michelle G. Breit

15 *Counsel for Plaintiffs Technology Properties*
16 *Limited LLC and Phoenix Digital Solutions*
17 *LLC*

18 Dated: October 2, 2012

KIRBY NOONAN LANCE & HOGE LLP

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20 By: /s/ Charles T. Hoge

21 Charles T. Hoge

22 *Counsel for Plaintiff Patriot Scientific Corp.*
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ORDER

PURSUANT TO STIPULATION, IT IS SO ORDERED.

Dated: October 4, 2012



SIGNATURE ATTESTATION

All party signatories listed above, and on whose behalf this filing is submitted, concur in the filing's content, and have authorized the filing.

STEPTOE & JOHNSON LLP

By: /s/ Morgan L. Hector
Morgan L. Hector

*Counsel for Defendant Huawei
Technologies Co., Ltd.*