UNITED STATES JUDICIAL PANEL on MULTIDISTRICT LITIGATION

IN RE: PAPST LICENSING DIGITAL CAMERA PATENT LITIGATION

MDL No. 1880

ORDER DENYING TRANSFER

Before the Panel:* Accused infringers, defendants¹ in four Eastern District of Texas actions listed on the attached Schedule A, move to transfer the actions under Section 1407 to MDL No. 1880. Patent holder Papst Licensing GmbH & Co. KG (Papst) opposes transfer.

After considering the argument of counsel, we find that while these actions involve some common questions of fact with the actions previously transferred to MDL No. 1880, we are not convinced that transfer will serve the convenience of the parties and witnesses or promote the just and efficient conduct of the litigation. We initially centralized this litigation involving actions that shared factual questions arising from Papst's claims that digital cameras made by certain manufacturers infringe two of its patents, the validity and enforceability of which were at issue in all five actions. *See In re: Papst Licensing Digital Camera Patent Litig.*, 528 F. Supp. 2d 1357 (J.P.M.L. 2007). Papst's two patents, United States Patent Nos. 6,470,399 and 6,895,449, were invented by Michael Tasler and relate, broadly, to an interface device for communication between a host device and another device from which data is to be acquired. Many, but not all, of the devices in MDL No. 1880 that Papst contends infringe these patents are digital cameras; other devices included audio voice recorders, camcorders and video cameras. The actions involve the earlier Papst patents, two relatively new Tasler patents – U.S. Patent Nos. 8,504,746 and 8,966,144 (which have been asserted in some recent actions in the MDL), and a new Papst patent, U.S. Patent No. 9,189,437, a continuation of the '449 patent that issued on November 17, 2015.

The actions before us now involve the alleged infringement of five Tasler patents by defendants' smartphones, mobile phones, tablet computers and/or media player products. These types of products are not involved in the MDL No. 1880 proceedings. We are concerned that adding new categories of

^{*} Judges Lewis A. Kaplan, Ellen Segal Huvelle and Catherine D. Perry did not participate in the decision of this matter.

¹ Samsung Electronics America, Inc.; Samsung Electronics Co. Ltd.; Lenovo (United States) Inc.; Motorola Mobility LLC; Huawei Technologies Co., Ltd.; Huawei Technologies USA, Inc.; LG Electronics, Inc.; LG Electronics U.S.A., Inc.; and LG Electronics Mobilecomm U.S.A., Inc.

products, new defendants and a new patent to the MDL² now will unnecessarily slow the progress of the MDL proceedings.³ Transfer of these actions may spawn a host of different arguments related to infringement, among other issues, which could hinder the efficient resolution of this litigation. Further, denying defendants' motion to transfer is in accord with our recent decision to exclude cases involving Hewlett-Packard tablet computers from MDL No. 1880. *See* Order Vacating Conditional Transfer Order, J.P.M.L. CM/ECF, doc. 100 (J.P.M.L. December 8, 2015).

We recognize that some degree of coordination with MDL No. 1880 may be desirable. Fortunately, Judge Robert W. Schroeder, III, presides over all actions, as well as two similar actions. Judge Schroeder may find useful guidance, if needed, in Judge Collyer's discovery or claim construction rulings and may otherwise find it advisable to informally coordinate the actions before him with the MDL actions.

IT IS THEREFORE ORDERED that defendants' motions to transfer are denied.

PANEL ON MULTIDISTRICT LITIGATION

Sarah S. Vance Chair

Marjorie O. Rendell R. David Proctor

Charles R. Breyer

² U.S. Patent No. 9,189,437 was filed on August 24, 2006, issued on November 17, 2015, and is a continuation of the '449 patent. It is not asserted in the MDL proceedings.

³ Cf. MDL No. 1769, In re: Seroquel Prods. Liab. Litig., Order Vacating Conditional Transfer Order, at 1 (Feb. 5, 2010) (J.P.M.L. doc. no. 344) (observing that "[m]ultidistrict litigation is not static" and that "[t]he relative merits of transferring new tag-along actions to an MDL can change over time as the transferee court completes its primary tasks, and the point at which the advantages of continuing to transfer tag-along actions outweigh the disadvantages is never absolutely clear. See id. After a certain point, however, the benefits of transfer should not be assumed to continue. Id.").

⁴ See Papst Licensing GmbH & Co., KG v. Apple, Inc., E.D. Texas, 6:15-1095; Papst Licensing GmbH & Co., KG v. ZTE Corporation, et al., E.D. Texas, 6:15-1100. Defendants in ZTE recently moved for Section 1407 transfer to MDL No. 1880.

IN RE: PAPST LICENSING DIGITAL CAMERA PATENT LITIGATION

MDL No. 1880

SCHEDULE A

Eastern District of Texas

- PAPST LICENSING GMBH & CO., KG v. LG ELECTRONICS, INC., ET AL., C.A. No. 6:15-1099
- PAPST LICENSING GMBH & CO., KG v. SAMSUNG ELECTRONICS CO. LTD., ET AL., C.A. No. 6:15-1102
- PAPST LICENSING GMBH & CO., KG v. LENOVO (UNITED STATES), INC., ET AL., C.A. No. 6:15-1111
- PAPST LICENSING GMBH & CO., KG v. HUAWEI TECHNOLOGIES CO., LTD., ET AL., C.A. No. 6:15-1115