

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

AVIGILON CORPORATION and  
AVIGILON USA CORPORATION, INC.,

Plaintiffs,

v.

CANON, INC.,

Defendant.

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Civil Action No. 17-cv-11922

ORDER

November 13, 2017

TALWANI, D.J.

On October 5, 2017, Canon, Inc., filed a complaint in the Northern District of Texas alleging that Avigilon Corporation and Avigilon USA Corporation, Inc., (collectively “Avigilon”) had infringed five patents held by Canon. Canon also dismissed its earlier action filed in the Eastern District of New York, and notified Avigilon’s counsel of the new action. Later that day, Avigilon filed this action seeking a declaratory judgment that Avigilon has not infringed the same five patents held by Canon and that those patents are invalid. Canon promptly filed a Motion to Transfer [#8] this case to the Northern District of Texas. Avigilon has now filed an unopposed Motion to Expedite [#29], requesting that “for judicial economy and to avoid risk of inconsistent decisions,” this court should decide Canon’s Motion to Transfer [#8] “as soon as possible and in advance of” Avigilon’s November 27, 2017, deadline to respond to Canon’s complaint in the Northern District of Texas. The court notes that Avigilon could have addressed issues of judicial economy and the risk of inconsistent decisions by filing a motion to transfer in

the Northern District of Texas instead of filing a second action here. In any event, for the reasons that follow, the court DENIES the motion to expedite and stays proceedings.

This case presents a common patent litigation scenario. “When two actions that sufficiently overlap are filed in different federal district courts, one for infringement and the other for declaratory relief, the declaratory judgment action, if filed later, generally is to be stayed, dismissed, or transferred to the forum of the infringement action.” Futurewei Techs., Inc. v. Acacia Research Corp., 737 F.3d 704, 708 (Fed. Cir. 2013). This reflects a patent-litigation-specific application of what courts generally refer to as the “first-to-file” rule. Id.

Avigilon does not dispute that it filed this declaratory judgment action *after* Canon filed its patent infringement action, or that the actions overlap. Avigilon argues that venue is not proper in the Northern District of Texas, that Canon cannot show that the convenience factors weigh in its favor, that an exception to the first-to-file rule applies, and that Canon’s filing in Texas amounted to a race to the courthouse. But the preliminary question is whether *this* court, as opposed to the district court in the Northern District of Texas, should decide the transfer issue.

Outside the patent context, “the usual practice is for the court that first had jurisdiction to resolve the issues and the other court to defer.” TPM Holdings, Inc. v. Intra-Gold Indus., Inc., 91 F.3d 1, 4 (1st Cir. 1996). This holds true in patent litigation as well. See Dana-Farber Cancer Institute, Inc. v. Ono Pharmaceutical Co., Ltd., 186 F. Supp. 3d 22, 24 (D. Mass. 2016); see also Collectis S.A. v. Precision Biosciences, Inc., 881 F. Supp. 2d 609, 613 (D. Del. 2012). As another court in this District has stated in a patent case involving a similar issue, “[t]he first-to-file rule has generally been interpreted to dictate not only which forum is appropriate, but also which forum should *decide* which forum is appropriate.” EMC Corp. v. Parallel Iron, LLC, 914 F. Supp. 2d 125, 129 (D. Mass. 2012).

Notwithstanding Avigilon's argument that an exception to the first-to-file rule applies and that venue is not proper in the Northern District of Texas, there is no question that the Northern District of Texas had jurisdiction over Canon's patent infringement lawsuit before this court had jurisdiction over Avigilon's declaratory judgment action. As such, the Northern District of Texas is the more appropriate forum for a decision on whether venue is proper in that district and on whether any exceptions to the first-to-file rule apply. Accordingly, Avigilon's Motion to Expedite [#29] is DENIED. The action is STAYED pending further court order. The parties shall file a joint status report no later than December 1, 2017, and advise the court as to whether Avigilon has asserted improper venue in its responsive pleading in the Northern District of Texas and/or filed a motion to transfer in that action.

IT IS SO ORDERED.

November 13, 2017

/s/ Indira Talwani  
United States District Judge