

NOTE: This order is nonprecedential.

**United States Court of Appeals
for the Federal Circuit**

**In re: SPROUTS FARMERS MARKET, INC.,
SPROUTS FARMERS MARKET TEXAS, LP, dba
Sprouts Farmers Market,
*Petitioners***

2020-116

On Petition for Writ of Mandamus to the United States District Court for the Western District of Texas in No. 6:19-cv-00417-ADA, United States District Judge Alan D. Albright.

ON PETITION

Before PROST, *Chief Judge*, NEWMAN and HUGHES, *Circuit Judges*.

NEWMAN, *Circuit Judge*.

ORDER

Sprouts Farmers Market, Inc. and Sprouts Farmers Market Texas, LP (collectively, “Sprouts”) petition for a writ of mandamus seeking to direct the United States District Court for the Western District of Texas to grant their motion to stay proceedings. Motion Offense, LLC opposes.

Motion Offense has sued Sprouts Farmers Market, Inc. and its Austin, Texas based subsidiary in the Western District of Texas, asserting that Sprouts' use of Dropbox, Inc.'s software infringes two patents. A month after Motion Offense filed this complaint, Dropbox filed its own suit against Motion Offense in the United States District Court for the District of Delaware, seeking declaratory judgments that the same Dropbox software product does not directly or indirectly infringe the same asserted patents.

Sprouts moved the Western District of Texas to stay proceedings pending the outcome of Dropbox's suit based on the principles underlying the so-called "customer-suit exception." The Western District of Texas denied the motion. Sprouts then filed this petition seeking to compel a stay. After the petition was filed, the District of Delaware, pending the resolution of Sprouts' petition, has decided to transfer the Dropbox case to the Western District of Texas so that both suits could be resolved by one court.

Only exceptional circumstances, amounting to a clear abuse of discretion or judicial usurpation of power, will justify the extraordinary remedy of mandamus. *In re Cordis Corp.*, 769 F.2d 733, 736 (Fed. Cir. 1985). We are not prepared to say that Sprouts has met that very demanding standard here. With the Dropbox case now also in the Western District of Texas, there is no longer the concern of having two different courts adjudicating the same issues with the risk of reaching inconsistent judgments.

Although we deny Sprouts' petition for mandamus relief, now that both related cases are in the Western District of Texas, we expect the district court to consider whether the most efficient resolution entails staying or consolidating at least some of the underlying proceedings.

Accordingly,

IT IS ORDERED THAT:

The petition is denied.

IN RE: SPROUTS FARMERS MARKET, INC.

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FOR THE COURT

March 25, 2020
Date

/s/ Peter R. Marksteiner
Peter R. Marksteiner
Clerk of Court

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