

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF
CALIFORNIA

In re Enovix Corporation Securities Litigation

In re Enovix · No. 23-cv-00071-SI · Decided July 8, 2025

SUMMARY

The United States District Court for the Northern District of California held that discovery remains open during the pendency of defendants’ motion for partial judgment on the pleadings. The court concluded that the Private Securities Litigation Reform Act’s automatic discovery stay does not apply because the court had sustained the legal sufficiency of portions of the operative complaint and some portion of the case would proceed regardless.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Susan Illston
JURISDICTION	United States District Court for the Northern District of California
DECIDED	July 8, 2025
DOCKET	23-cv-00071-SI
DISPOSITION	other
PROCEDURAL POSTURE	The court addressed whether the PSLRA's automatic discovery stay applied while defendants' motion for partial judgment on the pleadings was pending.
PRECEDENTIAL VALUE	Unpublished district court order

TOPICS

- discovery dispute
- motion for judgment on the pleadings
- civil procedure
- commercial litigation

PRACTICE AREAS

- securities litigation
- civil procedure
- discovery

QUESTIONS PRESENTED

1. Whether the PSLRA's automatic discovery stay applies while defendants' motion for partial judgment on the pleadings is pending after some claims survived motions to dismiss.

2. Whether discovery should remain open where some portion of the case will proceed regardless of the outcome of the partial motion for judgment on the pleadings.

HOLDINGS

1. The PSLRA's automatic discovery stay does not apply when at least part of the operative complaint has survived motions to dismiss and defendants' partial motion for judgment on the pleadings will not dispose of the entire case.

KEY QUOTATIONS

“In these circumstances, the Court agrees with plaintiffs that the PSLRA’s automatic discovery stay does not apply.” (at 1)

FACTUAL BACKGROUND

The litigation involved securities claims under the Private Securities Litigation Reform Act. Following two rounds of motions to dismiss, at least some claims in the operative complaint remained legally sufficient, and defendants moved for partial judgment on the pleadings. The parties disputed whether discovery should remain stayed under the PSLRA while that motion was pending.

PROCEDURAL HISTORY

After two rounds of motions to dismiss, the court had sustained the legal sufficiency of at least part of the operative complaint. Defendants then filed a motion for partial judgment on the pleadings, and the court ordered that discovery remain open during the pendency of that motion.

DISPOSITION

other

CASES CITED

- Powers v. Eichen, 961 F. Supp. 233, 236 (S.D. Cal. 1997)
- In re Facebook, Inc. Secs. Litig., No. 18-cv-01725-EJD, at *1-2 (N.D. Cal. Feb. 19, 2025)

OPINION

IN RE ENOVIX CORPORATION SECURITIES LITIGATION
PER CURIAM.

1 2 3

4 UNITED STATES DISTRICT COURT

5 NORTHERN DISTRICT OF CALIFORNIA

6 7 IN RE: ENOVIX CORP. SECURITIES Case No. 23-cv-00071-SI

8 LITIGATION

9 ORDER RE: DISCOVERY STAY

0 Re: Dkt. Nos. 178, 180 11 12 5 13 The Court has reviewed the letters from the parties, Dkt. Nos. 178 and 180, and the relevant S 14 || law. See 15 U.S.C. § 78u-4(b)(3)(B). This order hereby notifies the parties that discovery remains 3 15 || open during the pendency of defendants' motion for partial judgment on the pleadings. Following a 16 || two rounds of motions to dismiss, the Court has already "sustained the legal sufficiency" of at least = 17 some of the operative complaint. See *Powers v. Eichen*, 961 F. Supp. 233, 236 (S.D. Cal. 1997) 18 || (recounting legislative history of Private Securities Litigation Reform Act). And because defendants 19 || have moved for partial judgment on the pleadings, some portion of this case will move forward 20 || regardless. In these circumstances, the Court agrees with plaintiffs that the PSLRA's automatic 21 || discovery stay does not apply. See *In re Facebook, Inc. Secs. Litig.*, No. 18-cv-01725-EJD, at *1-2 22 || (N.D. Cal. Feb. 19, 2025) (after multiple motions to dismiss and a complaint sustained on appeal, 23 || ordering that discovery proceed in parallel with any future motion for judgment on the pleadings, 24 || notwithstanding the PSLRA's automatic discovery stay). 25 IT IS SO ORDERED. 26 || Dated: July 8, 2025 Site WU tee 27

SUSAN ILLSTON

28 United States District Judge