

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

SAMSUNG ELECTRONICS CO., LTD.,
Petitioner,

v.

LED WAFER SOLUTIONS LLC,
Patent Owner.

Case IPR2021-01554

Patent No. 9,502,612

LED WAFER SOLUTIONS LLC'S

Preliminary Sur-Reply

37 C.F.R. §42.107(a)

LIST OF EXHIBITS

Exhibit	Description
Ex. 2001	Seventh Supplemental CARES Act Order
Ex. 2002	Samsung's Motion to Transfer, (public version), DKT. No. 40
Ex. 2003	Amended Scheduling Order, DKT. No. 27
Ex. 2004	Order Granting motion to join by Seoul Semiconductor, DKT. No. 39
Ex. 2005	Samsung's Answer to the Complaint, DKT. No. 19
Ex. 2006	Law 360 Article, Judge Albright
Ex. 2007	CNBC Article on Samsung \$17 billion Chip Plant in WDTX
Ex. 2008	Proposed Scheduling Order, DKT No. 20
Ex. 2009	Samsung Preliminary Construction_DKT_44
Ex. 2010	Seoul Semiconductor's Motion to Intervene, DKT. No. 23
Ex. 2011	IAM Magazine, April 7, 2020
Ex. 2012	Grant of scheduling order, DKT. No. 38
Ex. 2013	LED Wafer v, Samsung Complaint, DKT. No. 1

I. FINTIV FACTORS FAVOR DENIAL OF INSTITUTION

The Board should exercise its discretion to deny institution under §314(a) in view of its precedential decisions in *NHK Spring Co., Ltd., v. Intri-Plex Techs., Inc.*, IPR2018-00752, Paper 8 (Sept. 12, 2018) and *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 (Mar. 20, 2020). The ‘612 Patent is asserted in a parallel district court action set for trial in February 2023 involving the same issues, arguments, and evidence that Petitioner has presented here. As explained in Patent Owner’s Preliminary Response, each of the six *Fintiv* factors favors denial of institution. Petitioner’s lead argument is based on conjecture – that the trial date may change, the Markman date may change, and that Petitioner has sought to transfer the case in the underlying district court litigation. This is mere speculation and does not address the fact that as of today, the scheduled trial date in the district the underlying litigation is taking place is scheduled to occur prior to any Final Written Decision is to occur in this Petition or the other *six* co-pending Petitions that are involved in the underlying district court litigation.

Fintiv Factor 1 still favors denying institution. Petitioner cites a single case with different facts as “evidence” that a stay is likely. Reply at 4-5. As stated in the POPR, there is no indication that Judge Albright would stay the parallel action; indeed, indications are to the contrary, particularly here as fact discovery will commence this month. *See, e.g., Multimedia Content Mgmt. LLC v. Dish Network L.L.C.*, No. 6:18-CV-00207-ADA, 2019 WL 11706231, at *2 (W.D. Tex. May 30,

2019) (Judge Albright denying defendant’s motion to stay even where discovery had not yet begun).

Petitioner’s only rebuttal for Factor 2 is based on conjecture that the District Court trial *could be* delayed (Reply at 2-3). Petitioner spends a majority of its reply talking about hypothetical movement and the Claim Construction hearing yet ignores that the scheduled trial date occurs *before* any Final Written Decision in this proceeding, which would not occur until sometime in April 2023. Petitioner cites no cases that Judge Albright intends to push the trial date, which is integral to analysis under Factor 2. Petitioner also sets forth a timeline for ruling on its transfer motion and how that would affect the Markman and ultimately the trial date. Reply at 3. What Petitioner fails to mention, is that it was Petitioner’s own delay that caused this situation. *See Monarch Networking Solutions LLC v. CISCO Systems, Inc.*, Civ. Action No. 2:20-CV-00015-JRG (January 5, 2021) (“Therefore, the later a motion is filed, the less convenient a transfer would be. Notably, that reduction in convenience is caused by the very party seeking transfer because of convenience.”). Petitioner waited almost 9 months to file its motion to transfer and therefore failed to act with “reasonable promptness.” *Peteet v. Dow Chem Co.*, 868 F.2d 1428, 1346 (5th Cir. 1989). Additionally, Petitioner has a substantial presence in the district and its co-defendant is not seeking a transfer. Despite these weaknesses in Petitioner’s transfer motion and its likely denial, any hypothesized postponement of trial or grant of transfer does not impact Factor 2, as the analysis requires the Board to “generally take courts’ trial schedules at face value absent some strong evidence to the

contrary.” *Fintiv II*, Paper 15 at 13. As the Board has stated, presuming that there would be delay would be “conjecture.” IPR2021-00205, Paper 13 (declining institution under §314(a) when trial was scheduled to occur three months prior to the final determination date).

Regarding Factor 3, Petitioner’s attempt to claim this case is in its infancy is without merit. The District Court has already issued a substantive order, granting Seoul Semiconductor’s Motion to Intervene. EX2004. Factor 3 focuses not only on the Court’s investment as Petitioner appears to allege, but also on the parties’ investment, which has been and remains extensive. Petitioner’s myopic approach is misplaced because the “investment factor is related to the trial date factor, in that more work completed by **the parties and court** in the parallel proceeding tends to support the arguments that the parallel proceeding is more advanced, a stay may be less likely, and instituting would lead to duplicative costs.” *Fintiv*, 10 (emphasis added). Factor 3 strongly favors denial of institution.

For its finale, Petitioner’s Reply purports to address Factor 4 but effectively says almost nothing. Instead, Petitioner simply states that it will not raise “the IPR Grounds” at trial, which is inadequate. Factor 4 concerns “overlap between **issues raised** in the petition and in the parallel proceeding.” *Apple Inc. v. Fintiv, Inc.*, IPR2020-00019, Paper 11 at 6 (PTAB March 20, 2020) (precedential). Petitioner’s stipulation not to pursue grounds of invalidity in district court based on the “IPR Grounds” does not address **cumulative grounds** will still be pursued in the district court, regardless of whether or not the Board institutes trial in this case.

With respect to the ‘612 Patent, Petitioner’s invalidity contentions include claim charts for multiple references besides the “primary” references cited herein.¹

Given the substantial investment in uncovering and charting the multiple references and unlimited number of combinations cited against the ‘612 Patent, Petitioner is in the best position at this point to distinguish the “primary” references cited herein from those other references to assure the Board that its stipulation would indeed remove any overlap in the issues raised in its Petition from those raised in the parallel proceeding. It has not attempted to do so.

Accordingly, Petitioner has not demonstrated that its stipulation will eliminate, or even meaningfully reduce, the overlap between issues raised in the petition and parallel district court proceeding. Its further odd that Petitioner’s stipulation is limited to just the Grounds raised in the Petition, given the estoppel confirmed under 35 U.S.C. 315(e)(2). Thus, even given Petitioner’s narrow stipulation, Factor 4 still weighs in favor of the Board denying institution in this case.

With regard to “additional claims” not raised at the district court level, Petitioner avoids substantive argument by failing even to identify unique issues, or independent claims, likely to be addressed in an IPR but not in the District Court trial. This contrasts with *Apple, Inc. v. Maxell, Ltd.*, IPR2020-00204, where *independent* claims were challenged in the IPR petition, but not in the District Court.

¹ For reasons unbeknownst to Patent Owner, Petitioner has marked their invalidity contentions as highly confidential, precluding its use as an exhibit.

Petitioner fails to address Factors 5 and 6 in any substantive manner. The POPR confirms both of these factors clearly favors discretionary denial, as the parties are the same (Factor 5) and, as stated in Patent Owner's Preliminary Response, Petitioner failed to show a reasonable likelihood of success on the merits, (Factor 6).

II. CONCLUSION

For the foregoing reasons, trial should not be instituted under 35 U.S.C. § 314(a). Petitioner raised the same invalidity grounds in the District Court action, and that court will resolve those grounds before a Final Written Decision would issue. Petitioner's incredible speculation about a possible stay and/or transfer should carry no weight. The Board should therefore exercise its discretion to deny this Petition.

<p>Date: February 18, 2022</p>	<p>Respectfully Submitted,</p> <p><u>By: /s/ Bradley Liddle</u> Brad Liddle (Reg. No. 71,106) bliddle@carterarnett.com Carter Arnett PLLC 8150 N. Central Expressway, Suite 500 Dallas, Texas 75206 (214) 431-4990 (214) 550-8185 (fax)</p> <p>Seth A. Lindner (Reg. No. 68,119) slindner@carterarnett.com Carter Arnett PLLC 8150 N. Central Expressway, Suite 500 Dallas, Texas 75206 (214) 299-8013 (214) 550-8185 (fax)</p> <p>Scott Breedlove (Reg. No. 46,577) sbreedlove@carterarnett.com Carter Arnett PLLC 8150 N. Central Expressway, Suite 500 Dallas, Texas 75206 (214) 550-8172 (214) 550-8185 (fax)</p> <p>Michael Pomeroy (Reg. No. 76,010) mpomeroy@carterarnett.com Carter Arnett PLLC 8150 N. Central Expressway, Suite 500 Dallas, Texas 75206 (214) 550-4680 (214) 550-8185 (fax)</p>
--------------------------------	--

CERTIFICATE OF SERVICE (37 C.F.R. § 42.6(e))

The undersigned hereby certifies that the above-captioned “Patent Owner Preliminary Sur-Reply” was served in its entirety on February 18, 2022, upon the following party via electronic mail:

Naveen Modi
naveenmodi@paulhastings.com
Joseph Palys
josephpalys@paulhastings.com
Paul Anderson
paulanderson@paulhastings.com
Quadeer Ahmed
quadeerahmed@paulhastings.com
PAUL HASTINGS LLP
PH-Samsung-LEDWaferIPR@paulhastings.com

Date: February 18, 2022

Respectfully Submitted,

By: /s/Bradley Liddle
Bradley Liddle, Reg. No. 71,106